FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

East Asia

ATTENTION!! **ATTENTION!!** **ATTENTION!!**

FBIS will phase out publication of most of its paper reports, including ALL Daily Reports and most FBIS Reports, by 31 December 1996.

See inside for information on how to access FBIS products and services electronically.

FBIS-EAS-96-043
Monday
4 March 1996

March 1996

Dear Customer:

Responding to our many customers' requests, NTIS will be offering FBIS publications electronically. Due to resource limitations, hardcopy production of FBIS publications will be phased out during 1996. We will notify our customers well in advance of the expiration date for each of our publications. Please see below regarding electronic access to products.

Our goal is to cease publication of all reports by 31 December 1996, except for S&T PERSPECTIVES, S&T CENTRAL EURASIA, S&T CHINA, S&T KOREA, S&T EUROPE, and S&T JAPAN. The S&T reports will continue to be published as hardcopy until the graphics they contain can be disseminated on-line.

FBIS products are offered electronically through the National Technical Information Service's (NTIS) "World News Connection" (WNC). This is a new on-line subscription service accessible through the World Wide Web. The Web address is http://wnc.fedworld.gov. Please see next page for a subscription form or call NTIS Fax Direct at 703-487-4140 and enter product code 8645 to receive more information.

World News Connection - WNC1...**$ 21**
7 Day - Introductory Offer
Unlimited interactive searching
[no profiles]
Order number SUB-9856BDQ

World News Connection - WNC2...**$ 50**
Monthly
Unlimited interactive searching
[no profiles]
Order number PB95-985700BDQ

World News Connection - WNC3...**$ 75**
Monthly
Unlimited interactive searching
[1 profile]
Order number PB95-985800BDQ

World News Connection - WNC4...**$100**
Monthly
Unlimited interactive searching
[up to 5 profiles]
Order number PB95-985900BDQ
(Prices are subject to change)

World News Connection™

A Foreign News Alert Service
from
the U.S. Government

User Name *(Please Print or Type)*	**Internet E-mail Address** *(Required)*	**Order Number**	**Price**
1) ____________	____________	____________	____________
2) ____________	____________	____________	____________

(Continue on a blank sheet if more space is required)

Deposit Account Number (for NTIS account customers only): ____________

Customer Master Number (if known): ____________ **Date:** ____________

Contact Name: ____________ **Organization:** ____________

Street Address: ____________ **City:** ____________ **State:** ____________ **Zip:** ____________

Province/Territory: ____________ **Country:** ____________

Foreign Postal Code: ____________

Internet E-mail Address (Organization contact person): ____________

Telephone Number: (   ) ____________ **Fax Number: (   )** ____________

Credit Card Number: ____________

Credit Card Expiration Date: ____________

Card Type (Visa, Master Card, or American Express): ____________

Cardholder's Name (as printed on the credit card): ____________

Cardholder's Signature (required to validate all orders): ____________

(Please fax this form back to NTIS at 703-321-8547. Fax service is available 24 hours a day, 7 days a week. To verify receipt of your fax, call (703) 487-4679 between 7:00am - 5:00pm, Monday - Friday, Eastern Time.)

Daily Report
East Asia

FBIS-EAS-96-043 **CONTENTS** 4 March 1996

NOTICE: An * indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

EU-ROK Agreement Heralds 'New Era' in Cooperation *[BANGKOK POST 2 Mar]* 1
PRC Said 'Ready' To Meet WTO Membership Requirements *[BUSINESS DAY 2-3 Mar]* 1
China Claims Support For WTO Entry From UK, Germany, EC *[THE NATION 2 Mar]* 2
PRC's Li Peng Suggests Think Tanks on Boosting Exchanges *[BANGKOK POST 2 Mar]* 2
China Welcomes Indian, Russian Application to Next ASEM *[THAILAND TIMES 2 Mar]* 3
Belgium's Derycke, Dehaene on Human Rights Issue at ASEM *[Brussels TV]* 4
Belgium's Dehaene's Statements on Human Rights Create 'Stir' *[Groot-Bijgaarden DE STANDAARD 1 Mar]* 4
Asian Leaders Respond to European Appeal for Equity *[THE NATION 2 Mar]* 5
Portuguese Offer Defuses Possible East Timor 'Row' at ASEM *[THE NATION 2 Mar]* 6
Press Release Details Outcome of 1st Day of ASEM Talks *[Thai Ministry of Foreign Affairs Asia-Europe Meeting WWW]* 7
Europe Said 'Upstaged' by Number of Asian ASEM Proposals *[THE NATION 2 Mar]* 8
Austrian Leaders View ASEM Bangkok Summit *[Vienna WIENER ZEITUNG 2 Mar]* 9
Euro-Asia University Begins To Take Shape *[BANGKOK POST 2 Mar]* 9
Text of ASEM Chairman's 2 Mar Statement Reported *[Thai Ministry of Foreign Affairs Asia-Europe Meeting WWW]* 9
Japan's Drive for UN Security Council Seat Noted *[THE SUNDAY POST 3 Mar]* 13
Philippines' Ramos Urges More Interaction Between Asia, Europe *[THE SUNDAY NATION 3 Mar]* 13
Prime Minister Banhan Addresses ASEM News Conference *[Bangkok TV]* 14
France's Chirac Addresses Asian Human Rights at News Conference *[Paris TV]* 15
Italian Prime Minister Addresses ASEM News Conference *[Bangkok TV]* 15
Malaysia 'Concerned' Over ASEM Institutionalization *[THE STAR 2 Mar]* 16
ASEM Praised For 'Progress' on East Timor Issue *[THE SUNDAY POST 3 Mar]* 16
Portugal's Guterres Expresses 'Deep Satisfaction' With ASEM *[THE SUNDAY NATION 3 Mar]* 17
EC President's Statement at Conclusion of ASEM *[Thai Ministry of Foreign Affairs Asia-Europe Meeting WWW]* 18
Malaysia Appointed To Oversee Trans-Asia Rail Link Study *[THE SUNDAY NATION 3 Mar]* 19
ROK President on Railroad To Connect Asia, Europe *[YONHAP]* 19
ASEM Leaders Agree on Cooperation for UN Reform *[THE SUNDAY NATION 3 Mar]* 20
Thai Paper Views Tasks Facing Next ASEM in London *[THE SUNDAY POST 3 Mar]* 21
ASEM Participants Comment on Achievements *[THE SUNDAY POST 3 Mar]* 22
Malaysian Prime Minister Speaks to Asian Businessmen *[THE NATION 4 Mar]* 23
Malaysia's Mahathir Assails West for Blocking EAEC *[THE STAR 4 Mar]* 25
France 'Hopeful' of Bigger Role in Asian Security Forum *[BANGKOK POST 4 Mar]* 26

NORTHEAST ASIA

Japan

Japan: Official on Sakamoto, Shapiro Meeting on Chip Accord *[KYODO]* 28
Japan: Official Says U.S. Upset About PC Procurement *[KYODO]* 28
Japan: Officials Discuss Cargo Talks With U.S. *[AFP]* 29
Japan: 'Broad Concessions' Pave Way for Aviation Talks *[KYODO]* 29
Japan: Minister Outlines Proposals Made to U.S. at Aviation Talks *[NIHON KEIZAI SHIMBUN 1 Mar]* 30

Japan: Governor Ota, U.S. Pacific Commander Meet 2 Mar *[RYUKYU SHIMPO 2 Mar]* 30
Japan: Local Police Heed Threat Against U.S. Military Site *[OKINAWA TIMES 1 Mar]* 31
Japan: Ex-SDP Members Form Party, Urge Scrapping U.S. Bases *[KYODO]* 31
Japan: Official Explains MOFA Position on USFJ Air Control *[RYUKYU SHIMPO 2 Mar]* 31
Japan: Okinawa Government Lodges Protest Against Futenma Exercise *[RYUKYU SHIMPO 2 Mar]* 32
Japan: Yamaguchi Prefecture Opposes Relocation of MCAS Futenma *[OKINAWA TIMES 2 Mar]* 32
Japan: Family To Sue U.S. Serviceman, Military Over Fatal Accident *[OKINAWA TIMES 4 Mar]* 32
Japan: Ikeda, German Foreign Minister Discuss Russian Reform *[KYODO]* 33
Japan: 'Sources' Say Ikeda Likely To Visit Moscow Late Mar *[KYODO]* 33
Japan: Business Leaders Expected To Meet Russian Counterparts *[KYODO]* 34
Japan: Hashimoto Praises France's Nuclear Disarmament Efforts *[KYODO]* 34
Japan: Ikeda, Danish Counterpart Meet, Discuss UN Reform *[KYODO]* 34
Japan: Ikeda Praises Sweden's Peacekeeping Role *[KYODO]* 34
Japan: Ikeda, Finnish Minister Agree ASEM Beneficial *[KYODO]* 35
Japan: Ikeda Discusses East Timor With Portuguese Minister *[KYODO]* 35
Japan: ASEM Marks Hashimoto's Multilateral Diplomatic Debut *[KYODO]* 35
Japan: Hashimoto, Major Agree To Add More ASEM Members *[KYODO]* 36
Japan: Hashimoto's Opening Remarks at Bangkok News Conference *[Tokyo TV]* 36
Japan: Further on Hashimoto's News Conference *[Tokyo TV]* 38
Japan: Hashimoto on 'Constructive' Meeting, Talks on Korea *[KYODO]* 41
Japan: Hashimoto Returns Home After Asia-Europe Summit *[KYODO]* 41
Japan: Hashimoto, China's Li Peng Begin Bilateral Summit *[KYODO]* 42
Japan: Hashimoto, PRC's Li Peng Meet on Summit Sidelines *[AFP]* 42
Japan: Hashimoto, PRC's Li Remain Apart on Taiwan, Nuclear Tests *[KYODO]* 42
Japan: Ikeda, PRC Counterpart Agree To Begin Fishing Talks *[KYODO]* 43
Japan: Hashimoto, ROK President Meet; Discuss KEDO, Territory *[KYODO]* 43
Japan's Hashimoto: KEDO Key to Stability of Korean Peninsula *[KYODO]* 44
Japan: Ikeda Welcomes EU's Financial Contribution to KEDO *[KYODO]* 44
Japan: DPRK Official on Efforts To Improve Bilateral Ties *[MAINICHI SHIMBUN 1 Mar]* 44
Japan: DPRK Fishermen Rescued, Sent Back to North *[YONHAP]* 45
Japan: North Korean Explains Food Situation, Rice Aid *[SANKEI SHIMBUN 1 Mar]* 45
Japan: 'Sources' Say 'Jusen' Borrower Suspected of Hiding Assets *[KYODO]* 45
Japan: Ruling Parties on Extra 'Jusen' Resolution Measures *[KYODO]* 45
Japan: Coalition Parties Fail To Produce 'Jusen' Accord *[KYODO]* 46
Japan: Coalition, Keidanren Leaders To Discuss 'Jusen' Issue *[KYODO]* 46
Japan: Keidanren Asked To Raise Contribution to 'Jusen' Fund *[KYODO]* 47
Japan: Defense Agency Setting Up Intelligence Agency *[TOKYO SHIMBUN 4 Mar]* 47

North Korea

DPRK Paper Warns U.S. Against 'Ignoring' Proposal *[KCNA]* 49
DPRK Foreign Ministry Spokesman on Downing of Planes in Cuba *[KCNA]* 49
DPRK: Japan, U.S. Said 'Scheming' 'Reaction Posture' *[KCNA]* 49
DPRK: U.S., Japan Seek 'Domination and Control Over Asia' *[KCNA]* 50
DPRK Commentary Denounces U.S. Aircraft Carrier's Call at Pusan *[Pyongyang Radio]* 50
DPRK Reports ROK Protests Against U.S. Role in Kwangju *[KCNA]* 51
DPRK: ROK Anti-U.S. Rallies Urge Apology for Kwangju *[KCNA]* 52
DPRK Red Cross Urges ROK Return of Cargo Vessel's Crew *[KCNA]* 52
DPRK Talk Aimed at ROK Army Assails 'War Exercises' *[Pyongyang Radio]* 52
DPRK: ROK Said To Amass Arms in 'Foremost Front Area' *[KCNA]* 53
DPRK Paper: ROK Trying To Ignite Second Korean War *[KCNA]* 54

DPRK Daily Reacts to ROK Call for Support of ASEAN Nations *[KCNA]* 54
DPRK: ROK Party Urges Probe Into Chon's Secret Fund Scandal *[KCNA]* 54
DPRK Paper Comments on Kim Yong-sam's 1 Mar Address *[KCNA]* 54
DPRK: Pomminnyon Overseas Delegation Visits North's Headquarters *[KCNA]* 55
DPRK: SPA Reunification Policy Letter Distributed Abroad *[KCNA]* 55
DPRK: Koreans in China Support 1996 as Year of Peace, Unity *[KCNA]* 55
DPRK: WPK Delegation Departs for Yugoslavia, East Europe *[KCNA]* 56
DPRK: Hwang Chang-yop Sees Off Nepalese Communist Delegation *[KCNA]* 56
DPRK Ministry Spokesman on 'False' Food Situation Rumors *[KCNA]* 56
DPRK: Peruvian City Names Kim Chong-il Honorary Citizen *[KCNA]* 56
DPRK: Chuche Symposium in Japan Sends Letter to Kim Chong-il *[KCNA]* 57
DPRK: Kim Chong-il Visits KPA Air Force Unit 29 Feb *[Pyongyang Radio]* 57
DPRK: 'Democratic Front of South Korea' Group Visits Mansu Hill *[KCNA]* 58
DPRK Model Youth, Students Awarded Kim Il-song Prize *[KCNA]* 58
DPRK: Anniversary of Agrarian Reform Marked *[KCNA]* 58
DPRK: Commissioning of New Coal Pits Reported *[KCNA]* 59

South Korea

ROK: U.S. Has No Plans To Discuss Missile Exports With DPRK *[YONHAP]* 60
ROK: Defense Officials Comment on U.S. Role in Kwangju Incident *[CHUNGANG ILBO 29 Feb]* 60
ROK: Prospects for DPRK-U.S. Missile Negotiations Reviewed *[CHUNGANG ILBO 1 Mar]* 61
ROK: Movement on Future DPRK-U.S. Missile Negotiations Noted *[HANGUK ILBO 2 Mar]* 61
ROK: NSP Denies Kim Chong-il's Ex-Wife in Los Angeles *[Seoul Radio]* 62
ROK: Agent Arrives To Discuss Asylum for Song Family *[CHUNGANG ILBO 4 Mar]* 62
ROK: DPRK Allegedly Asks International Red Cross Members To Leave *[TONG-A ILBO 1 Mar]* 62
ROK: UN Reports DPRK Facing 1.9-Million-Ton Grain Shortage *[YONHAP]* 63
ROK: Visitors Note Kim Chong-il's Failure To Speak in Public *[The Digital Chosun WWW]* 63
ROK Navy Reportedly Rescues Two From Sinking DPRK Ship *[YONHAP]* 63
ROK Government To Return Rescued North Korean Crewmen *[Seoul TV]* 63
ROK Defense Ministry Recounts Rescue Operation of DPRK Crew *[THE KOREA TIMES 2 Mar]* 63
ROK: KNRC To Return Crew Survivors, Dead Crewmen to DPRK *[YONHAP]* 64
ROK Red Red Cross To Return 2 Crewmen, 2 Bodies to DPRK *[Seoul Radio]* 64
ROK: PRC Asks ROK Firms, Others Not To Help DPRK Defectors *[CHUNGANG ILBO 4 Mar]* 64
ROK: DPRK Denies Sending Assassins to Thailand *[YONHAP]* 65
ROK: Thai Government: Reports of DPRK 'Terrorists' Groundless *[HANGUK ILBO 28 Feb]* 65
ROK: DPRK Defectors Describe 'War Crisis Mood' in DPRK *[HANGUK ILBO 12 Feb]* 65
ROK: DPRK Defectors Describe 'Inflexibility' of DPRK System *[HANGUK ILBO 13 Feb]* .. 66
ROK: Deputy Head of DPRK'S Macao Mission Reportedly Recalled *[YONHAP]* 67
ROK: DPRK Envoy to Zambia Called Home in Early Feb *[KYONGHYANG SINMUN 25 Feb]* 67
ROK: EU Demands KEDO Council Membership in Exchange for Funding *[HANGYORE SINMUN 3 Mar* 67
ROK: DPRK Secret Contact Attempts for Dialogue Ignored *[CHUNGANG ILBO 2 Mar]* 68
ROK: Dialogue Offer Viewed as Ploy To Advance U.S., Japan Talks *[THE KOREA HERALD 3 Mar]* 68
ROK: DPRK General Holds Position Despite Nephew's Defection *[Seoul Radio]* 69
ROK: Tokto Island History, Dispute With Japan Reviewed *[THE KOREA HERALD 2 Mar]* .. 69
ROK: No Decision Made To Resume Suspended Japan-DPRK Talks *[Seoul Radio]* 71
ROK: Kim Yong-sam Vows 'Strong Action' if Japan Continues Claim *[THE KOREA TIMES 2 Mar]* 71
ROK President, Japanese Premier Discuss Tokto Issue in Bangkok *[YONHAP]* 72

ROK, Japan Agree To Start Negotiations on EEZ Boundaries *[THE KOREA TIMES 4 Mar]* .. 72
ROK President Meets PRC's Li Peng After ASEM Session *[YONHAP]* 73
ROK: Buddhists Denounce U.S. Involvement in Kwangju Uprising *[Seoul Radio]* 73
ROK: Students Demonstrate Against U.S. for Kwangju Involvement *[Seoul Radio]* 74
ROK: Newspaper Editorials on Results of ASEM Meeting *[KYONGHYANG SINMUN 3 Mar, etc.]* 74
ROK Editorial Assesses Significance of ASEM *[CHOSON ILBO 1 Mar]* 74
ROK: National Congress for New Politics Announces Economic Policies *[THE KOREA HERALD 1 Mar]* 75
ROK: Kim Tae-chung's Strategy for General Election Outlined *[CHUGAN CHOSON 8 Feb]* 76
ROK: Yi Hoe-chang 'Promising Candidate' for 1997 Election *[THE KOREA HERALD 3 Mar]* 78
ROK: Army Enlisted Man Deserts With Four Hand Grenades on 4 Mar *[Seoul Radio]* 79

SOUTHEAST ASIA

Burma

Burma: Additional 69 MTA Members Surrender 25 Feb *[Rangoon TV]* 80
Burma: Remnant MTA Troops Continue To Fight in Shan State *[Radio DVOB]* 80

Cambodia

Cambodia: Khmer Rouge Commander Defects With 357 Men *[Phnom Penh Radio]* 80
Cambodia: Hun Sen Backs Independent Candidates in Election *[Phnom Penh Radio]* 81

Philippines

Philippines: Ramos, PRC's Li Agree To Keep Ships Away From Spratlys *[AFP]* 81
Philippines: Officials Doubt PRC 'Softening' Spratlys Claim *[Quezon City Radio]* 82

Thailand

Thailand: U.S. Narcotics Certification Seen as 'Mutual Distrust' *[THAI RAT 1 Mar]* 82
Thai Admiral's Alleged Comment on Malaysian 'Threat' Denied *[BANGKOK POST 1 Mar]* . 83

Vietnam

SRV: Visiting Spanish Minister: Spain's Presence in Asia 'Priority' *[Madrid EFE]* 83
SRV: Chirac Urges SRV To Ease Life for French Investors *[THE NATION 2 Mar]* 84
SRV: National Assembly Holds Preparatory Meeting *[Hanoi Radio]* 84

AUSTRALASIA

Australia

Australia: Coalition Party Wins 'Landslide' Victory *[Melbourne International]* 85
Australia: Liberal Party Leader Howard Claims Election Victory *[Darwin TV]* 85
Australia: Keating Concedes Defeat in Federal Election *[Darwin TV]* 87
Australia: Liberal-National Party Coalition Celebrates Victory *[Melbourne International]* 88

EU-ROK Agreement Heralds 'New Era' in Cooperation

BK0203135696 Bangkok BANGKOK POST in English 2 Mar 96 p 6

[Unattributed Report]

[FBIS Transcribed Text] A landmark agreement has been reached between the European Union and the Republic of Korea, heralding a new era in political and economic cooperation between both sides.

The agreement, reached Thursday night in Brussels ahead of the ASEM [Asia-Europe Meeting] summit will see an improved climate for trade and investment.

It could also help tackle international drugs and money laundering problems.

The new EU-Korea Framework Agreement, which the two parties have been negotiating since May 1995, identifies sectors in which economic cooperation can be developed.

The agreement came just before a meeting between Sir Leon Brittan, EC Commission Vice-President, and Kong No-myong, the Foreign Minister of Korea.

The deal has been initialled and now needs to be ratified by the EU, its 15 member states and Korea before coming into force.

Sir Leon Brittan said the agreement reflects the new climate to trust and cooperation between Europe and Asia which is emerging at the ASEM summit.

It means Europe and Korea are no longer just distant trading partners, but will now become more closely engaged both politically and economically, he said.

Korea represents a major market for the EU. Korea's GDP has increased at about eight percent a year, rising above nine percent in 1995.

Bilateral trade has grown encouragingly too, increasing four-fold over 10 years and reaching US$23.9 billion (597.5 billion baht) in 1994.

Specifics of the agreement involve:

— Respect for democratic principles and human rights as defined in the Universal Declaration on Human Rights.

— A more regular political dialogue based on shared values and aspirations.

— Increasing efforts to open markets including telecommunications and financial services.

— The two sides trying to eliminate trade barriers and cooperating on issues of interest including future proceedings of the WTO [World Trade Organization].

— Aiming for unrestricted access to the international maritime market based on fair competition and on a commercial basis.

— They will cooperate on shipbuilding to promote fair and competitive market conditions. They note the severe imbalance between supply and demand and agree they will not support their own shipbuilding industries in a way which distorts competition in accordance with the OECD [Organization of Economic Cooperation and Development] Agreement on Shipbuilding.

— They will undertake to ensure effective protection for intellectual, industrial and commercial property rights.

— The parties will promote the use of international standards and conformity assessment systems by cooperating on quality management, exchanging information and expertise, and ensuring standards and conformity assessment activities do not constitute unnecessary barriers to trade.

PRC Said 'Ready' To Meet WTO Membership Requirements

BK0203114996 Bangkok BUSINESS DAY in English 2-3 Mar 96 p 2

[Report by Chiraphon Atchawakhom]

[FBIS Transcribed Text] In light of its increasingly open economy, China believes it is ready to meet the requirements for membership of the World Trade Organization (WTO). At the same time Beijing considers the WTO incomplete while it remains outside its ranks.

Chinese Foreign Ministry spokesman Chen Jian said yesterday that other heads of government attending the ASEM [Asia-Europe Meeting] meeting had been enthusiastic in their support of China's admittance into the WTO.

China wants to enjoy the privileges of WTO membership and realizes that to do so it must meet the organization's requirements.

Mr Chen said Chinese Prime Minister Li Peng had also told the ASEM meeting that China views ASEM as significant, marking as it does an important change in the perceived status of Asia as well as a new era of global multipolarity.

The Chinese leader added that the era of the world's economy being ruled by one or two powerful countries is over.

Furthermore, China hopes the new partnership between Asia and Europe will differ from when the world was dominated by the Cold War.

He said China envisages the new partnership based on five principles: quality and mutual respect, expansion of relations on common ground, understanding and confidence building, mutual benefits, and finally it should be firmly future oriented.

China also stresses that ASEM give priority to economic cooperation.

Mr Li proposed the setting up of two expert committees to study economic cooperation and technological exchange between the two regions.

To comply with the mutual cooperation goal and WTO regulations concerning tariffs, China also agreed to reduce its tariffs believing this will be especially beneficial to developing countries.

He said China still insists that ASEM should not cover social issues to avoid any political confrontation and to gain mutual respect.

China also denied that it intends to seek a military role in the Asia Pacific region as a result of the fact that it has a number of nuclear weapons.

"Our nuclear weapons are meant to break the world's nuclear monopoly and its threat," said Mr Chen, adding that China is aware of their destructive power.

He said China will never be the first to use nuclear weapons except in the case of self-defense.

"Above all, China is committed not to conduct any nuclear experiments in the prohibited zones covering Southeast Asia listed as Nuclear Free Zone in the Asia-Europe Meeting," Mr Chen said.

China Claims Support For WTO Entry From UK, Germany, EC

BK0203093496 Bangkok THE NATION in English 2 Mar 96 p A6

[Report by Surachai Chupaka, Wichit Chaitrong, and Achira Phongphutthum]

[FBIS Transcribed Text] China yesterday claimed the support of Britain, Germany and the European Commission in its bid for membership of the World Trade Organization [WTO].

A Chinese official said the three had assured Prime Minister Li Peng during bilateral meetings that they would not block Beijing's application for membership.

The United States has opposed Chinese membership of the world organization.

The spokesman said Li told the Europeans that China intended to become a member.

"The WTO will be incomplete without China, Li said.

The spokesman added, "China will fulfill all the obligations of a developing member of the WTO."

Japanese Prime Minister Ryutaro Hashimoto, meanwhile, proposed a feasibility study of the requirements for economic cooperation between Asia and Europe.

A spokesman said Hashimoto had urged the European Union to adhere to the principles of free trade and challenged them to open up their markets in the same way as Asian countries were under the Asia-Pacific Economic Cooperation agreement.

Hashimoto urged the Europeans to make a strong commitment to the WTO agreements.

If the Europeans were ready to seriously tackle open-regionalism, they should show this by taking a concrete action", the spokesman quoted Hashimoto as saying.

Outsiders tend to look on the European Union's economic integration as inward-looking and a barrier to free trade.

Hashimoto proposed the holding of the first meeting of Asian- European economic ministers in Japan next year, the spokesman said.

He also proposed measures to strengthen cooperation in economic policy planning. The Asia-Europe Meeting should develop and harmonize customs standards to facilitate trade flow between the two regions, he said.

Hashimoto offered Japanese cooperation in alleviating poverty in developing countries. An objective study of needs and means — in a particular infrastructure, energy and environmental matters — was an essential starting point, he said.

He also proposed exchange visits by politicians, academics and young people from universities, research institutes and other organizations, the spokesman added.

PRC's Li Peng Suggests Think Tanks on Boosting Exchanges

BK0203110596 Bangkok BANGKOK POST in English 2 Mar 96 p 6

[Report by Suphaphon Kanwirayothin]

[FBIS Transcribed Text] Chinese Prime Minister Li Peng has called for Asia and Europe to form two "expert committees" to work on measures for promoting investment and technological exchange.

Premier Li also told the 26 Asian and European leaders attending the ASEM [Asia-Europe Meeting] summit that economic cooperation should be the focus of future ties between the two continents, said spokesman Chen Jian.

The premier unveiled China's vision that "a new bridge should be built to link two ancient civilizations of the world namely Asian and European".

And he said this first Asia-Europe Meeting marked the emergence of a multi-polar world devoid of domination by "one or two countries."

The Asia-Europe partnership should offer a "new perspective, vision and approach" where everyone is treated as equals and with mutual respect, and where people strive for common grounds, the Chinese leader said at the leaders-only gathering yesterday.

Since economic cooperation forms the backbone of the new Asia- Europe partnership, the premier called for two expert groups to be established — one to draft measures to promote investment between the continents and the other to consider technological exchange promotion.

China also claimed a victory after securing unqualified support from ASEM participants on its bid for membership of the World Trade Organisation [WTO].

The premier held bilateral talks with German Chancellor Helmut Kohl, British Prime Minister John Major, French President Jacques Chirac and European Commission's President Jacques Santer.

"They (the European leaders) have a positive attitude and expressed support for China's entry into the WTO," said Mr Chen. He added "there are no conditions" attached.

Mr Chen accused the WTO of double standards by making "unrealistic demands on some countries" as a condition of membership.

China Welcomes Indian, Russian Application to Next ASEM

BK0203092096 Bangkok THAILAND TIMES in English 2 Mar 96 p A2

[Report by Thichakon Khruphan]

[FBIS Transcribed Text] Bangkok — China welcomed India and Russia's application for the next Asia-Europe Meeting (ASEM) to be held in London in the next two years, said the Chinese spokesman yesterday.

"China always supports open regionalism and ASEM should serve as an open forum," said Chinese Foreign Ministry spokesman Chen Jian during the press conference on the first day of ASEM.

According to Foreign Ministry spokesman Surapong Chaiyanam, British Prime Minister John Major and German Chancellor Helmut Kohl proposed in the first summit between Asia and Europe that the ASEM should be an open forum by accepting more members, saying the action would extend greater constructive cooperation among member countries.

Malaysian Premier Mahathir Mohamed, who had strongly opposed the idea of ASEM expansion, said nothing about the issue during yesterday's meeting.

The Malaysian premier had earlier said a bigger ASEM would result in more conflicting interests and achieve nothing.

Russia formally indicated its intention to participate in the next ASEM on Wednesday while India also expressed its interest to join the grouping.

Regarding human rights issue, the Chinese spokesman said Beijing does not oppose human rights and every nation has the right to address anything including human rights, however, ASEM should mainly focus on economic cooperation.

Each country has different perspectives toward sensitive issues including human rights, Chen added.

Chen mentioned Taiwan, which has been struggling for its independence from China, that the problem in the island would disappear should the Taiwanese government stopped its attempt to fight for its autonomy.

"Taiwan is an internal affair of China, and leaders attending the ASEM said they upheld the one-China policy," added the spokesman.

Chen quoted Chinese Prime Minister Li Peng as saying in the opening ceremony that he is satisfied with the summit since it reflects the new relation between the two continents and new partnership away from confrontational tactics used in the Cold War era.

The Chinese premier, he said, also proposed five principles governing the new relation — ASEM countries should treat one another equally and pay respect to each other; seek common wealth and learn from each other's experience; build trust and understanding among countries; mutually benefit one another; and proceed toward a common development.

According to the spokesman, Li Peng called for more technological cooperation and enhancement of cultural exchange, adding that an expert committee should be set up to study the current situation and possible future cooperation between Asia and Europe.

Belgium's Derycke, Dehaene on Human Rights Issue at ASEM

BR0403110896 Brussels RTBF-1 Television Network in French 1830 GMT 1 Mar 96

[Video report from Bangkok by Pierre Marlet — recorded]

[FBIS Translated Excerpt] [video shows policemen, little traffic on streets of Bangkok] [Marlet] The Bangkok policemen could have removed their antipollution masks from their faces today. The city is almost dead. Because of the ASEM [Asia-Europe Meeting], the inhabitants have had a day off to ease traffic.

Nevertheless, numerous policemen were patrolling the streets to prevent demonstrations. Only a small demonstration was held by some Thais who called for the respect of human rights. The Thai press has ridiculed the absence of this delicate issue from the summit agenda. However, paradoxically, during the opening ceremony the Europeans were very anxious not to offend their hosts, whereas the Thai minister emphasized very explicitly the importance of respecting human rights.

[Eric Derycke, identified by screen caption as Belgian foreign minister] Fortunately, I would say, he was very clear. The Europeans were afraid.... [changes thought] Well, they may not have been afraid, but they had a certain reticence not to undermine all of the other issues. Without economic development there are no real opportunities for democracy and for respecting human rights.

[Marlet] The Europeans are very interested in strengthening their economic relations with Asia, although they cannot ignore the deplorable actions of certain regimes. How to resolve this dilemma makes many people nervous. [passage omitted]

[Jean-Luc Dehaene, identified by screen caption as Belgian prime minister] We have to be careful about how we discuss this issue. We have to keep in mind the developments that we ourselves experienced. In the past, at the beginning of our industrialization, when we were at the economic level of these countries, human rights were not an issue in our countries. Indeed, economic development itself led to a much better situation, although some Amnesty International reports advise us to take a closer look at our own situations.

Belgium's Dehaene's Statements on Human Rights Create 'Stir'

BR0103162296 Groot-Bijgaarden DE STANDAARD in Dutch 1 Mar 96 p 6

[Report by Dirk Achten: "Dehaene Rousing Emotions Shortly Before Europe-Asia Summit"]

[FBIS Translated Text] Bangkok — Apparently, Prime Minister Jean-Luc Dehaene unintentionally created a stir in certain Asian countries and in the Thai press with some very mild statements on human rights which he made in Singapore and in Vietnam. These statements were reactions to questions from journalists about the Europe-Asia Summit [ASEM], which is taking place in the Thai capital of Bangkok these days.

Both in Singapore and in Vietnam Dehaene's statements were very cautious, and yet some observers regarded them as an official Belgian request to put the issue on the agenda.

The initiative for ASEM came from the Singaporean prime minister. After the APEC meetings with the countries from the Pacific region, especially the United States, Japan, China, and the countries from South-East Asia, ASEM should now form a counterbalance toward Europe. Europe is in a subordinate position, for that matter, since it has to stand by and watch how Japan and the United States have become the main contenders in the world's fastest-growing region.

Europe would like to do something about it, and sees this conference as a starting-point for a better organized cooperation with Asia. All countries from the European Union are there, most of them with their government leaders, but also the government leaders of Japan, China, South-Korea and of the so-called ASEAN countries, i.e. the organization of South-East Asian countries to which Thailand also belongs.

Prime Minister Dehaene keeps emphasizing that the most important thing about this mammoth meeting is that it is actually taking place, and that it should be an impetus to a new and sustained process. One should not expect many shocking results. This is the first meeting, the participants must get acquainted with each other, and look for the best operating procedure and for the most flexible structure. Then they should look for a more or less durable form of consultation and cooperation between Europe and Asia.

Officially, the summit is following an informal pattern. Theoretically, everyone can talk as long as he or she wants. There is no strict agenda. However, there are also closed meetings on economic and political issues, and on the conference's follow-up. Indeed, unlike the

APEC conference with the Americans, the summit between European and Asian government leaders is also expected to offer a platform for political discussions. This does not only include disarmament and security, but also topics such as human rights, especially in China, child labor and democracy. These are touchy issues.

This explains the slight commotion which was apparently caused by Dehaene's veiled statements. Human rights are a very delicate issue for several governments, including for China, which regard it as a way to teach Asia a lesson from the comfortable Western capitals.

The Thai Government will reportedly suggest to discuss human rights and the social issues informally over dinner and during an informal gathering of the government leaders. At the end of the summit, reference would only be made to the general international treaties on human rights. This suits most Europeans just fine, since they are mostly concerned about their economic interests.

Asian Leaders Respond to European Appeal for Equity

BK0203111696 Bangkok THE NATION in English 2 Mar 96 p A3

[Report by Atchara Phongphutthitham, Surachai Chuphaka]

[FBIS Transcribed Text] Asian leaders yesterday told the European Commission it would be impossible to totally lift restrictions on European investors in the next 10 to 20 years, according to Deputy Prime Minister Amnuai Wirawan.

The 10 Asian leaders participating in the Asia-Europe Meeting yesterday reacted cautiously to the aggressive push by the European Commission for Asian countries to lift restrictions on investment, especially for European investors, to legally hold 100 percent equity.

The European Commission has proposed that Asian countries create a multilateral agreement on investment. Amnuai, however, said that members of the World Trade Organization (WTO) still did not have a clear idea about when the investment rules would be created under the WTO forum.

Indonesian Foreign Minister Ali Alatas also shared Amnuai's view.

He said that Asian countries needed to study the proposal for the investment treaty cautiously because of the different conditions for recipient and investor countries.

The European Commission yesterday proposed setting up a working group to study the investment agreement under the WTO forum. The European Union is already negotiating with the Organization for Economic Cooperation and Development (OECD), but the commission feels the treaty with the OECD would be too narrow because half of Europe's investment now goes to developing countries.

Amnuai said Thailand did not think the investment code was an imperative issue at the moment. He noted that a number of foreign investors have already moved in despite limitations, reflecting the fact that current investment conditions are acceptable to them.

The EU proposal cannot be carried out in the next 10 to 20 years, he said.

He argued that so far there was no clear indication of the time when trade and investment under the WTO would be completely liberalized.

"Therefore, EU initiatives could not proceed immediately, but what we should do first is take Prime Minister Banhan Sinlapa-acha's proposal to create a forum to promote investment between Asia and the EU," Amnuai said.

Banhan has proposed the setting up of a working group to adopt the investment plan within six months.

The plan will identify investment barriers, how to tackle them, what sectors could be liberalized first, how to set up a financial network to mobilize funds to support investment projects, and how Asian and EU nations could jointly help in the development of a host country.

Amnuai said the completed investment action plan should be submitted to the next Asia-Europe Meeting in London two years from now.

The deputy prime minister also complained that the EU agriculture market liberalization under the WTO is still far behind in the free market access.

Therefore, it is not logical for the EU to ask Asian countries to completely open up the investment market, he said.

Amnuai also pointed out that although EU enterprises could hold 100 percent equity, they may not benefit from the investment due to difficulties in operating businesses in different cultures.

Joint venture projects with local companies provide more benefits to EU investors, he insisted, because business operations can proceed at a smoother pace. Local partners can operate the business efficiently because they are familiar with their own culture, he said.

EU should not think local companies will take advantage of joint venture projects, Amnuai said.

He added that joint ventures should be promoted, and less emphasis should be placed on the 100 percent investment concept.

Portuguese Offer Defuses Possible East Timor 'Row' at ASEM

BK0203094896 Bangkok THE NATION in English 2 Mar 96 pp A1, A3

[Unattributed Report]

[FBIS Transcribed Text] Portugal's Prime Minister Antonio Guterres has prevented a possible row at the inaugural Asia-Europe Meeting [Asem] by offering an olive branch to Indonesia's President Suharto over the troubled former Portuguese enclave of East Timor.

Guterres and Suharto met in the margins of the Asem at an informal dinner for the leaders from Asia and Europe on Thursday.

It was the first such one-on-one meeting of the heads of state of Portugal and Indonesia in more than two decades, after Lisbon broke off ties with Jakarta over the Indonesian invasion of East Timor in December 1975.

However, Indonesia said yesterday there would be no progress in talks with Portugal on East Timor unless Lisbon dropped its insistence on self-determination for the annexed province.

Guterres had proposed to Suharto at their meeting that his country put Portuguese diplomats in a friendly embassy in Jakarta and allow Indonesia to do the same in Lisbon on two conditions.

The first condition was that Indonesia agrees to free jailed East Timor resistance leader Xanana Gusmao and his followers and secondly that Jakarta respects human rights in East Timor and allows United Nations observers to travel freely to the territory.

Speaking yesterday, Guterres said he was "not under any sort of pressure" and maintained that the Timorese people have a valid right to self-determination which had to take place as a final solution.

According to diplomatic sources at Thursday's informal dinner, Asean leaders urged Guterres not to bring up East Timor at the Asem sessions, and instead treat the problem as a bilateral issue between Portugal and Indonesia.

Guterres said that as far as he was concerned, the matter need not be brought up again at the summit sessions of the 25 heads of government.

There had been unconfirmed reports that Suharto planned to walk out if Guterres raised the issue during the plenary sessions.

"At least it (the proposal) was not rejected and the President of Indonesia told me this morning that he gave instructions to his minister of foreign affairs to develop contacts...with this proposal," Guterres said.

"Things are now to be discussed, with the UN secretary-general's supervision, by the two ministers of foreign affairs," he added.

Guterres said he informed Asem leaders of his meeting with Suharto and hoped the efforts would lead to a breakthrough in finding a solution to the East Timor problem because "Asem should not only focus on economic issues".

"For Portugal it is very important that Asem not be seen as a purely economic exercise. Only within the framework of a politically-orientated exercise can the problem of human rights be dealt with," he said. Indonesian Foreign Minister Ali Alatas, responding to the meeting between Guterres and Suharto, said yesterday that Portugal had to drop its insistence on self- determination for East Timor.

"I'm not including or excluding any elements for a solution," said Alatas. "However, I can't see how there can be a solution if Portugal remains in its basic position."

Jakarta insists that a valid act of self-determination had taken place, and maintains that the "majority" of East Timorese want to be integrated with Indonesia.

Alatas said talks with Portugal over the question of East Timor are currently going on at the foreign ministry level under the supervision of the UN secretary-general.

"We are quite willing to continue that conversation at the tripartite level (involving the foreign ministers and the UN)," said Alatas.

But he went on to add that if Portugal was simply offering an exchange of partial diplomatic recognition for the liberation of Gusmao, this would be insufficient. "Do you think that is evenly balanced?" he asked.

"Gusmao is a criminal in our eyes," he said.

Xanana Gusmao, the leader of the Falantil resistance forces fighting the Indonesian armed forces was captured at the end of 1992. He was sentenced to life imprisonment for treason but later had his sentenced reduced to 20 years.

"Indonesia has never been afraid of discussing the issue of East Timor, but this is irrelevant for the Asem because discussion is still going on with Portugal at the foreign ministers' level," said Alatas.

Meanwhile, speaking in Australia, East Timorese independence leader Jose Ramos Horta welcomed the bid to take the chill off relations with Indonesia.

"What is significant is that the Portuguese prime minister met with Mr Suharto," Ramos Horta said. He added it was "significant that Indonesia will accept that this proposal be on the UN agenda as they have never accepted it before".

In East Timor, however, a prominent Timorese expressed a guarded welcome yesterday to Portugal's conditional offer to Indonesia.

"The Portuguese prime minister is playing some sort of political game," Armindo Maia, vice-rector at East Timor University, said in the East Timor capital Dili.

"It does not have much relevance for the average person, only for academics and politicians," he said.

"The Portuguese and Indonesian governments both have their own interests but I don't think the Portuguese should sacrifice the legitimate aspirations of the people of East Timor by starting new relations with Indonesia," Maia said.

"Xanana himself had made statements that he wants to be last East Timorese to be freed. I don't know if the Portuguese have consulted him on this issue," Maia said.

"I don't think he is willing to sacrifice the interests of the Timorese people just to be released," he added.

Press Release Details Outcome of 1st Day of ASEM Talks

BK0203104096 (Internet) Thai Ministry of Foreign Affairs Asia-Europe Meeting WWW in English 2 Mar 96

[Press release issued by the Information Department of the Thai Ministry of Foreign Affairs in Bangkok on 1 March: "Summary of Outcome of the First Day of Asia-Europe Meeting (1 March 1996)"]

[FBIS Transcribed Text] Economic Issues [subhead]

Mr. Suraphong Chaiyanam, Director-General of Information Department and the Thai Foreign Ministry Spokesman, revealed the outcome of the first day of the Asia-Europe Meeting [ASEM]. Gist of the meeting on March 1, 1996 were as follows:

Leaders of both Asia and Europe agreed on the importance of lending support to multilateralism while condemning unilateralism as a means to resolve trade issues.

Leaders of both Asia and Europe shared the view that the ASEM would benefit not only the two regions but would boost the global economy.

The Meeting agreed that the differences of Asia and Europe should not undermine the important areas in which there were commonality and mutual interest.

The Meeting recognized the significance of a commitment to the open multilateralism and open regionalism. The Meeting stressed that the ASEM process should reinforce efforts to strengthen the WTO and the multilateral system.

It was pointed out that the fact that the inaugural WTO ministerial meeting to be held in Singapore in December 1996 had reflected the emerging importance of the Asia-Pacific region to the global community.

Asia had lent importance to the transfer of technology and measures to promote greater investment flows between the two regions. In view of rendering assistance to the lesser developed members, Europe had been requested to provide additional funds for the Overseas Development Fund.

Japan had lent support to the establishment of an Asia-Europe Business Forum with the aim of fostering greater cooperation between the private sectors of the two regions.

The meeting recognised the importance of small and medium-sized enterprises international economic cooperation and viewed that the ASEM governments should promote cooperation between the enterprises of the two regions.

The meeting recognised the need for a multilateral agreement on investment.

Most participants supported the Japanese government's proposal to convene a meeting of ASEAN and European Economic/Finance Ministers in 1997 in a similar format as the annual economic, business and banking meeting in Davos, Switzerland.

The meeting gave a unanimous support to the Thai proposal to establish an Asia-Europe Business Forum.

Social Issues [subhead]

The meeting supported Singapore's proposal to set up Asia-Europe Foundation to mobilise inputs and undertake researches in various fields in order to disseminate information and knowledge concerning the two continents. In this connection, the Prime Minister of Singapore informed the meeting that Singapore was ready to donate an initial one million U.S. dollars fund to the proposed Foundation and encouraged other members to follow suit.

Europe Said 'Upstaged' by Number of Asian ASEM Proposals

BK0203095196 Bangkok THE NATION in English 2 Mar 96 p A1, A3

[Unattributed Report]

[FBIS Transcribed Text] The historic meeting of Asian and European leaders in Bangkok yesterday produced more initiatives than their officials could handle — with the Asians appearing to have upstaged the Europeans in terms of the sheer number of proposals.

They ranged from Malaysian Prime Minister Mahathir Mohamed's idea for a European university in Asia, so that Westerners could learn more about Asia, to Prime Minister Banhan Sinlapa-acha's proposal to form a working group on investment plans between the two regions within six months.

Officials from 25 countries and the European Commission worked late into the night to shortlist the proposed projects.

Nevertheless, Asian and European leaders did agree to establish inter-sessional groups to maintain their dialogue process. This will be loosely formed to prevent institutionalization to the extent of the Asia-Pacific Economic Cooperation (Apec) forum.

Economic issues dominated meetings of both the leaders and foreign ministers.

Banhan's investment proposal was described as being along the lines of Apec's plan of action to facilitate investment.

Banhan, in his opening speech to the Asia-Europe Meeting yesterday morning, stressed that the participating nations needed to be more open with one another in trade, investment and the exchange of technology and know-how.

"If we can create a model of cooperation at a level similar to Apec's it would bring about a new balance among the world's three centres of economic growth, he said.

Foreign Ministry Deputy Permanent Secretary Sarasin Wiraphon said the political discussions were more substantive at the ministerial level.

Sarasin said Italy proposed that Asia join in the reconstruction of the former Yugoslavia, in the same manner the Europeans aided the Korean Energy Development Organization in assisting North Korea to develop a light-water nuclear reactor.

He said the two sides shared the same position on increasing the number of permanent members of the United Nation's Security Council.

They generally supported Japan and Germany as two potential candidates and agreed that enlarging the council was desirable.

According to Sarasin, France said it would support Japan's appointment to the council.

Asia, led by Malaysia, stressed the need for reform of the UN decision-making process to make it more democratic.

On UN financial difficulties, the Philippines undertook to contribute its share if the major powers agreed to disburse their pledged contributions on time.

Europe, in particular France and Britain, gave sentimental support to Asean's treaty for a Southeast Asia Nuclear Weapons-Free Zone, with a view to achieving nuclear weapons-free zones in both the continents, Sarasin said.

A number of new points would be added to the chairman's statement to be issued at the end of the meeting today, he said.

Japan offered to host an Asia-Europe Business Forum and an Asem [Asia-Europe Meeting] economic ministers meeting next year.

At the meeting topics for discussion will include financial regime policy and monetary stability.

Singapore proposed a "piggy back" meeting next February to take note of progress, and suggested one meeting be held in Europe.

It also proposed setting up a European Union-Asia Fund to promote economic and cultural exchanges.

Initial funding, estimated at US$1 million ([Thai baht] Bt25 million), would be from members' contributions.

Most of the participants agreed to broaden the scope of cooperation and discussions to include national issues like the environment and drug abuse and combatting money-laundering, Aids, international crime and terrorism, among others.

The participants from Asian nations stressed the importance of technology transfer and investment capital from Europe to less fortunate countries in Asia.

Some European countries agreed to increase their share of financial support for the development of the Mekong sub-region.

They also stressed that there should be no barriers to trade and investment cooperation.

Austrian Leaders View ASEM Bangkok Summit

AU0203171996 Vienna WIENER ZEITUNG in German 2 Mar 96 p 1

[Unattributed report: "ASEM: Progress Despite Disagreements"]

[FBIS Translated Excerpt] Bangkok — On Friday [1 March], at the beginning of the Asia-Europe Meeting (ASEM) in Bangkok, where progress was made despite first disagreements over the problems of human rights, the Asian countries proposed an "action plan for investments" to the EU.

The two-day summit is attended by the 15 EU countries, the seven ASEAN states (Thailand, Indonesia, Malaysia, Vietnam, Philippines, Singapore, and Brunei), as well as the PRC, Japan, and South Korea. Austria is represented in Bangkok by Chancellor Franz Vranitzky and Vice Chancellor and Foreign Minister Wolfgang Schuessel. [passage omitted]

Positive Interim Balance Sheet [subhead]

On Friday Vranitzky and Schuessel drew up a positive interim balance sheet of the summit. The focus was economic relations, in particular in connection with investments, Vranitzky stated. In the future political cooperation is supposed to focus on combating international crime, drug trafficking, and smuggling of people. The chancellor also stressed that the regionalization, which can be observed all over the world (EU, ASEAN, NAFTA [North American Free Trade Agreement], etc.), must not lead to any "fortresses," which isolate themselves toward the others.

Schuessel for Dialogue [subhead]

Schuessel reported on a separate meeting by the foreign ministers, where the Asian side expressed concern about the potentially growing influence of fundamentalism in Bosnia, without citing Iran by name.

Schuessel stressed that human rights and Eastern Timor were also broached at the summit. In the Austrian Embassy Schuessel met with human rights activists, who told him about the conference of the nongovernmental organizations, which had preceded the ASEM summit. It is better to include countries, which violate human rights, into a dialogue instead of excluding them, Schuessel stated.

Euro-Asia University Begins To Take Shape

BK0203134896 Bangkok BANGKOK POST in English 2 Mar 96 p 8

[Unattributed Report]

[FBIS Transcribed Text] Asian and European leaders agreed yesterday to set up a Euro-Asia University with campuses in both continents with a view to promoting understanding, according to Kopsak Chutikun, director-general of the Foreign Ministry's Economic Affairs Department.

The idea, proposed by Singaporean Prime Minister Goh Chok Tong, called for the university to be sited in Asia to offer Europeans an opportunity for European students to learn more about Asian culture and civilization.

"The situation now is that Asians have better understanding of Western attitudes, more than the other way round," said Mr Kopsak.

The European Union would conduct a feasibility study first and the idea will be carried out in the form of joint venture between the two continents.

Text of ASEM Chairman's 2 Mar Statement Reported

BK0403035096 (Internet) Thai Ministry of Foreign Affairs Asia-Europe Meeting WWW in English 4 Mar 96

["Chairman's Statement" of the Asia-Europe Meeting issued in Bangkok on 2 March]

[FBIS Transcribed Text] **Towards a Common Vision for Asia and Europe**

1. The inaugural Asia-Europe Meeting (ASEM) was held in Bangkok on 1-2 March 1996 and attended by the Heads of State and Government from ten Asian nations and fifteen European nations with the Head of Government of Italy acting also as President of the Council of the European Union, and the President of the European Commission. The Heads were accompanied by their Foreign Ministers, Members of the Commission and other Ministers. This historic Meeting was chaired by the Prime Minister of Thailand.

2. The Heads of State and Government and the President of the European Commission had and audience with Their Majesties King Phumiphon Adunyadet and Queen Sirikit at the Ananta Samakhom Throne Hall on 1 March 1996.

3. The Meeting discussed a wide range of issues and provided the opportunity for the Heads to share their concerns and aspirations, and develop a common vision

of the future. The Meeting recognised the need to strive for a common goal of maintaining and enhancing peace and stability, as well as creating conditions conducive for economic and social development. To this end, the Meeting forged a new comprehensive Asia-Europe Partnership for Greater Growth. This partnership aims at strengthening links between Asia and Europe thereby contributing to peace, global stability and prosperity. In this connection, the Meeting underscored the importance of both Asia and Europe maintaining dialogue with other regions.

4. The Meeting recognised that an important goal of this partnership is for both Asia and Europe to share the responsibilities in building greater understanding between the peoples of both regions. Strengthened dialogue on an equal basis between Asia and Europe in a spirit of cooperation and through the sharing of perceptions on a wide range of issues would enhance mutual understanding and benefit both regions. The dialogue will, in view of the global implications of the major regional integrations, also help ensure that such integrations benefit the international community as a whole.

Fostering Political Dialogue

5. The Meeting of the Heads from Asia and Europe reflects their common desire to strengthen political dialogue between Asia and Europe. Countries of Asia and Europe should highlight and expand common ground, enhance understanding and friendship, and promote and deepen cooperation. The dialogue among the participating countries should be conducted on the basis of mutual respect, equality, promotion of fundamental rights and, in accordance with the rules of international law and obligations, non-intervention, whether direct or indirect, in each other's internal affairs. The Heads reviewed political and security situations in both regions and underlined the importance of support for international initiatives to solve outstanding problems. The Meeting also agreed to promote intellectual exchanges between the two regions in the context of fostering political dialogue.

6. The Meeting agreed on the importance of enhancing the already existing dialogues between Asia and Europe on general security issues and in particular on confidence-building. Many Asian countries have established regular dialogue with the European Union. The European Union and the Asian nations have also engaged in discussions on political matters at such fora as the ASEAN-EU Dialogue, the ASEAN Regional Forum (ARF) and the ASEAN Post Ministerial Conferences (PMC).

7. The Meeting reaffirmed its strong commitment to the United Nations Charter, the Universal Declaration on Human Rights, to the 1986 Declaration on the Right to Development, the 1992 Rio Declaration on Environment and Development, the 1993 Declaration of Vienna and Programme of Action of the World Conference on Human Rights, the 1994 Cairo Programme of Action of the International Conference on Population and Development, the 1995 Copenhagen Declaration on Social Development and Programme of Action, and to the 1995 Beijing Declaration and Platform of Action for the Fourth World Conference on Women. The Meeting also agreed to cooperate in promoting the effective reform and greater democratisation of the UN system, including inter alia the issues concerning the Security Council, the General Assembly, the Economic and Social Council and UN finances, with a view to reinforcing its pre-eminent role in maintaining and promoting international peace and security and sustainable development. In this connection, the Meeting agreed to the initiation of a dialogue between representatives of participating nations of the ASEM in New York to consider the vital question of the UN reform.

8. The Meeting agreed on the importance of strengthening global initiatives on arms control, disarmament and non-proliferation of weapons of mass destruction and reaffirmed that Asian and European countries will enhance cooperation in these fields. The Meeting therefore attached particular importance to the early conclusion of the Comprehensive Test Ban Treaty in 1996. The Meeting noted that, in their efforts to contribute to the Nuclear Non-Proliferation Treaty (NPT) regime, the ten Southeast Asian countries have concluded the Southeast Asia Nuclear Weapon-Free Zone (SEANWFZ) Treaty in Bangkok in December 1995. The Leaders reiterated their determination to pursue systematic and progressive efforts to reduce nuclear weapons globally with the ultimate goal of eliminating those weapons and of general and complete disarmament under strict and effective international controls. The Meeting emphasised its commitment to the non-proliferation and prohibition of biological and chemical weapons, in particular to the early entry into force of the Chemical Weapons Convention. The Meeting supported efforts in the Conference on Disarmament to start negotiations on a fissile material cut-off on the basis of the agreed mandate.

Reinforcing Economic Cooperation [subhead]

9. The Meeting recognised the great potential for synergy between Asia and Europe on account of the economic dynamism and diversity of the two regions. Asia's emergence as an immense market has spawned great demand for consumer goods, capital equipment, financing and infrastructure. Europe, on the other hand,

is a major market in the world for goods, investments and services, even more so since the completion of the Single Market. Opportunities thus exist for both regions to expand the market for goods, capital equipment and infrastructure development projects, and to increase the flows of capital, expertise and technology.

10. The Meeting recognised that the growing economic links between the two regions form the basis for a strong partnership between Asia and Europe. To further strengthen this partnership, the Meeting expressed its resolve to generate greater two-way trade and investment flows between Asia and Europe. Such a partnership should be based on the common commitment to market economy, open multilateral trading system, non-discriminatory liberalisation and open regionalism. The Meeting stressed that any regional integration and cooperation should be WTO consistent and outward looking.

11. The Meeting agreed that the ASEM process should complement and reinforce efforts to strengthen the open and rules-based trading system embodied in the WTO. Full participation in the WTO by ASEM countries will strengthen the orgaisation. Recognising the importance of the first WTO Ministerial Conference to be held in Singapore in December 1996, the Meeting agreed that the participants from Asia and Europe will work closely together towards the success of the WTO. The Meeting agreed that a priority facing the WTO was how to ensure full implementation of commitments made in the Uruguay Round. Participants also underlined the urgent need to bring unfinished Uruguay Round negotiations to successful conclusions and to pursue the so called built-in-agenda, agreed to at Marrakesh. Asian and European participants will consult closely on new issues for the WTO agenda.

12. To promote greater trade and investment between Asia and Europe, the Meeting agreed to undertake facilitation and liberalisation measures involving the simplification and improvement of customs procedures, and standards conformance. ASEM will also aim for the reduction of trade barriers to avoid trade distortion and create better market access thus encouraging greater trade flows between Asia and Europe. The Meeting underscored the urgent need to increase European investments in Asia from their present low levels, as well as to encourage Asian investments in Europe.

13. The Meeting decided to ask senior officials to convene an informal meeting at an early opportunity on ways to promote economic cooperation and in particular liberalisation and facilitation of trade and investment. Initial emphasis should be placed on the WTO issues indicated above, but officials should also try to identify other measures that could be taken by ASEM countries in order to facilitate trade and investment. Officials may also look into how training programmes, economic cooperation and technical assistance could be further intensified in order to facilitate trade and investment.

14. The Meeting agreed to encourage the business and private sectors, including small and medium sized enterprises of the two regions, to strengthen their cooperation with one another and contribute towards increasing trade and investment between Asia and Europe. For this purpose, the Meeting agreed to establish in due course an Asia-Europe Business Forum.

Promoting Cooperation in Other Areas [subhead]

15. The Meeting agreed that intensified science and technology cross-flows between Asia and Europe, especially in priority driving sectors such as agriculture, information and communication technology, energy and transport, are important for strengthening the economic links between the two regions. The Meeting expressed the view that cooperation in the field of human resources development constitutes an important component of the economic cooperation between Asia and Europe. The Meeting also supported the strengthening of cooperation on all levels of education and vocational and management training. The Meeting also stressed the need to improve development cooperation between the two regions, giving priority to poverty alleviation, promoting the role of women and cooperating in the public health sector, including the strengthening of global efforts to combat AIDS and to promote AIDS prevention. The Meeting further agreed that the two regions should promote a dialogue within the ASEM on development cooperation with other regions, where feasible, sharing their respective experiences in this area.

16. The Meeting acknowledged the importance of addressing environmental issues such as global warming, protection of water resources, deforestation and desertification, biodiversity of species, marine environment protection and agreed that mutually beneficial cooperation should be undertaken in this field including the transfer of environmentally sound technology to promote sustainable development. The Meeting agreed to strengthen cooperation between the two regions to deal with the illicit drug trade, money laundering, terrorism and other international crimes, including exploitation of illegal immigration, both bilaterally and through existing multilateral initiatives.

17. The Meeting called for the strengthening of cultural links between Asia and Europe, particularly the fostering of closer people-to-people contacts, which is indispensable to the promotion of greater awareness and understanding between the peoples of both regions. The Meeting emphasised that these new links between Asia

and Europe should help overcome misperceptions that may exist between the two regions, and could be further reinforced through promoting cultural, artistic, educational activities and exchanges involving particularly youth and students, and tourism between the two sides. In this respect, the Meeting was informed about the results of the Europe-Asia Forum on culture, values and technology, recently held in Venice. The Meeting also encouraged cooperation in the preservation of cultural heritage.

Future Course of ASEM [subhead]

18. The Meeting regarded the ASEM as a useful process for promoting further cooperation between Asia and Europe. The Meeting recognised that the ASEM process needed to be open and evolutionary. The Meeting agreed that inter-sessional activities are necessary although they need not be institutionalised. The Meeting further agreed that follow-up actions to be undertaken jointly by the participants to the ASEM will be based on consensus. The Meeting also agreed to facilitate cooperation between Asian and European business leaders.

19. The Meeting agreed to the following follow-up measures:

— The Foreign Ministers and the Senior Officials' Meeting in charge of the First ASEM would coordinate and prepare for the Second ASEM on the basis of the result of the First ASEM. In this connection, a Foreign Ministers' Meeting would be held in 1997;

— An Economic Ministers' Meeting would be held in Japan in 1997 to discuss relevant economic issues;

— An informal Senior Officials' meeting would be held in Brussels in July 1996 on ways to promote economic cooperation between the two regions, and in particular liberalisation and facilitation of trade and investments, with an initial emphasis on WTO issues;

— A Meeting of Government and Private Sector Working Group would be convened in Thailand to draw up within six months an Asia-Europe Investment Promotion Action Plan to promote greater cross-flows of investment between Asia and Europe. Such a group could also study the current status of and potentials for investment between Asia and Europe and recommend measures to be taken in this regard;

— An Asia-Europe Business Forum would hold its inaugural meeting in France in 1996 and the next meeting in Thailand. At this Forum, Senior Officials would consider the appropriate modalities for fostering greater cooperation between the business and private sectors of the two regions. In this connection, a business conference would be held in 1997;

— Malaysia would act as coordinator for the study of integrating a trans-Asian railway network (commencing initially with the railway project of the Mekong Basin Development) and also the study of the subsequent possible integration of this railway network with the trans-European railway network;

— The establishment in Thailand of an Asia-Europe Environmental Technology Centre to under take research and development activities as well as provide policy guidance to both regions' governments and peoples;

— An Asia-Europe Foundation would be set up in Singapore with contributions from Asian and European countries, to promote exchanges between think-tanks, peoples and cultural groups. In this connection, Singapore has offered to contribute US$1 million to seed this foundation;

— An Asia-Europe University Programme would be started to foster exchanges of students and scholars with a view to developing better understanding of the cultures, histories and business practices of both regions;

— Intellectual exchanges between Asia and Europe through the holding of seminars and symposia on international and regional issues and the establishment of networks amongst the appropriate think-tanks from both regions;

— Objective studies on the economic synergy between Asia and Europe to provide future prospects and a solid basis for development effective policy measures;

— Youth exchange programmes of mini "Davos-type" to strengthen cultural links and the mutual understanding between the two regions.

The Meeting also agreed to consider the following:

— A Meeting of Finance Ministers;

— An Asia-Europe Cooperation Framework which will spell out the principles and mechanisms for long-term Asia-Europe cooperation in political, economic, social and other areas;

— The establishment of a study group on enhancing technological exchanges and cooperation, particularly in the areas of agriculture, environmental protection, and technological upgrading and improvement of enterprises;

— The development of closer cooperation among customs authorities in Asia and Europe in the areas of customs procedure and prevention of illicit drug trade;

— Cooperation in the development of the Mekong River Basin.

20. The Meeting agreed to hold the Second ASEM in two years' time in the United Kingdom and the Third ASEM in the Republic of Korea in the year 2000.

Japan's Drive for UN Security Council Seat Noted

BK0303125296 Bangkok THE SUNDAY POST in English 3 Mar 96 p 4

[Report by Asurat Maniphan and Nusara Sawatsawang]

[FBIS Transcribed Text] Japan yesterday cited its non-stockpile of nuclear weapons as an argument for it obtaining a permanent seat in the United Nations Security Council.

The argument was put forward by Japanese Prime Minister Ryotoro Hashimoto during a press conference at the end of the summit of 26 Asian and European leaders.

Japan would work for the elimination of nuclear weapons if it were admitted to the UN's main decision making body, Mr Hashimoto said.

Japan has the experience of being devastated by atomic bombs during the Second World War, he said.

All the current five permanent members of the Security Council: Britain, China, France, Russia, and the United States, have nuclear weapons.

If Japan were admitted it would be the only a nuclear stockpile, Mr Hashimoto said.

But he said Japan's admission to the exclusive club would depend on how other members felt about Japan's stand on the nuclear issue.

Japan's argument is persuasive, given the growing international opposition to nuclear weapons, sparked by France's recent nuclear tests in the South Pacific.

In addition, talks are under way in Geneva for a Comprehensive Test Ban which is expected to be signed by the end of this year.

Japan and Germany are seen as the most vociferous movers for permanent seats in the UN Security Council.

Germany's Foreign Minister Klaus Kinkel on Friday asked Thailand to support Bonn's bid.

Thai foreign minister Kasemsamoson Kasemsi's response was positive but non-committal.

He said Thailand saw both Germany and Japan as countries which have played prominent roles in the UN.

Mr Kinkel asked Thailand as it is currently deputy chairman of the committee on UN reform.

But German Chancellor Helmut Kohl yesterday tried to play down Bonn's bid for a permanent seat.

He said it was not a main foreign policy concern for Germany, But he noted Japan was trying hard.

"Our Japanese friends have taken steps to join," Mr Kohl said.

Japan was doing more than Germany because its "geographical position" has denied its participation in important international forums, he said.

Germany is a member of the North Atlantic Treaty Organisation, as well as the EU. "We have more opportunity to make ourselves heard," Mr Kohl said.

"In the end we will be given a permanent seat," he added.

But the matter is "not a priority of my foreign policy," he said.

Mr Kohl said the question of expanded permanent membership of the Security Council was not a main issue at ASEM [Asia-Europe Meeting], although UN reform in general was.

UN reform is "long overdue," he said. And reform starts with UN member states paying their dues, he added.

The US owes a lot of dues to the world body. It has tried to argue reforms should come first.

Mr Kohl noted countries like India, Indonesia, and Nigeria are also arguing for more say in the world body.

Many countries, including Thailand, argue the UN, which was set up after the Second World War, should be restructured to reflect the "realities of today".

Besides the five permanent members who make decisions on key issues like peace keeping the Security Council also features 10 nonpermanent members who serve on a rotating basis.

Philippines' Ramos Urges More Interaction Between Asia, Europe

BK0303130296 Bangkok THE SUNDAY NATION in English 3 Mar 96 p A 2

[FBIS Transcribed Text] Philippines President Fidel Ramos yesterday said his country will promote the interaction of people as well as business companies in Asian and European countries, and emphasize partnership of government and non government authorities.

He said Manila would create policies to boost contact between people in Asia and Europe during the two years leading up to the next Asia-Europe Meeting [ASEM] in the United Kingdom in 1998.

"Towards the next Asia-Europe Meeting in the UK, the Philippines will interact at the level of people, students and the business sector, both big and small."

Ramos said he had pointed out the importance of the common people to the ASEM.

"I reminded the heads of state and government that the common people were the centre and purpose of national development, and of international economic cooperation ... Empowerment of the people is our path to development," Ramos said at a press briefing held after the closing ceremony of the first Asia-Europe Meeting.

"Upon the Philippines' initiative, the ASEM affirmed the principle that the people constitute the centre and focus of development, and that our cooperative endeavours must proceed first through people-to-people exchanges," he noted.

Ramos said the Philippines also focuses on people, which is the reason for his country's emphasis on human resources development, environmental protection and small and medium enterprises.

The importance of fostering people's participation was also reflected in the chairman's statement, which said that the meeting expressed the view that cooperation in the field of human resource development constituted an important component of economic cooperation between Asia and Europe.

"The meeting called for the strengthening of cultural link between Asia and Europe, particularly the fostering of closer people-to-people contact, which is indispensable to the promotion of greater awareness and understanding between the peoples of both regions," the statement read.

It also said that these new links between Asia and Europe should help overcome misperceptions that may exist between the two regions.

The links could be reinforced through the promotion of cultural, artistic and educational activities and exchanges — particularly of youths and students — and by tourism, according to the statement released yesterday.

"The meeting also supported the strengthening of cooperation on all levels of education, including vocational and management training," it said.

Prime Minister Banhan Addresses ASEM News Conference

BK0203093196 Bangkok Thai Color Television Channel 9 in Thai 0732 GMT 2 Mar 96

[Address by Prime Minister Banhan Sinlapa-acha at the opening of the news conference held at Queen Sirikit National Convention Center on the outcome of the first Asia-Europe Meeting — live]

[FBIS Translated Text] The Asia-Europe Meeting [ASEM] is being hosted by Thailand. I myself am the chairman of the meeting. To my right is the chairman of the European Union, and the president of the European Union is on my left. I will be the first one to speak at this news conference.

It is the first time in world history that leaders of states and governments from Asia and Europe, including the president of the EU Commission, have got together to participate in a consultative meeting with the intention of strengthening their cooperation in various areas. This meeting took up two full days. We discussed political, economic, social, and general issues. Regarding the political issues, we have unanimously agreed that we will promote political consultations on the basis of mutual respect, equality, and non-interference in each other's internal affairs; create an equal partnership between the two continents; promote the reform of the United Nations so that it will become a more democratic and efficient organization; and promote cooperation in arms control, arms reduction and nonproliferation, and bring to an end the experiments of destructive weapons. Touching on economic issues, we will create the linkage of the tripartite economic centers of Europe, America, and Asia so as to help promote economic development, peace, and stability in the world. Economic relations between the two regions must be based on equality and mutual benefit and must firmly adhere to the principle of the marketing mechanism and multilateral trade system as well as other relevant measures to be formulated later. We will try to secure more trade and investment liberalization between the two continents. Economic cooperation between the two regions must be in conformity with the rules and regulations of the World Trade Organization, WTO. We will establish an Asia-Europe Business Council as proposed by Thailand and draw up an operational plan to promote bilateral investment cooperation within six months. We have also agreed to cooperate in other fields such as human resource development; promotion of the status of women; joint efforts to solve the problems of poverty, AIDS, and narcotics; the exchange of scientific and technical knowledge;, and environmental issues. In dealing with environmental problems, Thailand has proposed the setting up of the Asia-Europe environmental technology center in Thailand. We will cooperate in the suppression of international crime and we will also cooperate in the fields of arts, cultural, education, and tourism. We have agreed to implement a plan to set up an ASEM University and an Asia- Europe Foundation. The United Kingdom will host the second ASEM in two years time and the third ASEM will be held in Korea in 2000. Foreign ministers and senior officials during this ASEM have been assigned to make preparations for the next ASEM. The ASEM participants also agreed that we should hold more informal meetings because successful informal gatherings can also lead to formal meetings. Another important thing I want to tell you is that we believe that bilateral problems and conflicts can be settled through bilateral negotiations. It is a pleasure to note that the protracted bilateral conflicts and problems of some countries have been successfully settled during the ASEM. Leaders of the two continents are sincerely determined to hold more bilateral meetings for the benefit of their countries and people. We intend to create mutual understanding between the peoples of the two continents in the era of globalization. This is the outcome of the ASEM that was held over the past two days and I would like both the Thai and foreign media to be informed of this.

Next I would like to invite the EU Chairman to speak to the media.

France's Chirac Addresses Asian Human Rights at News Conference

LD0203203096 Paris France-2 Television Network in French 1900 GMT 2 Feb 96

[FBIS Translated Text] Talks in Thailand focused on trade links between the two continents and not on human rights, especially in China. However, French President Jacques Chirac mentioned human rights at his news conference. He said that respect for human rights in Asia will be a natural consequence of improving life standards and economic development:

[Begin Chirac recording] Things here are changing very fast and for this reason behaviors will also change. This change will affect, in particular, an issue in which the Europeans often show interest — and rightly so — that is human rights broadly speaking. Quite naturally these can only be strengthened by rising living standards and by the political and human liberties that automatically derive from economic liberalization. [end recording]

Italian Prime Minister Addresses ASEM News Conference

BK0203114596 Bangkok Thai Color Television Channel 9 in Thai 0741 GMT 2 Mar 96

[Address by Lamberto Dini, Italian prime minister and EU chairman, at a news conference held at the Queen Sirikit National Convention Center on the outcome of the Asia-Europe Meeting on 2 March — live, in English]

[FBIS Transcribed Text] I have a very little to add to the words pronounced by the prime minister of Thailand and the president of our meeting, and also to the very comprehensive Chairman's Statement that has been circulated. Only a few words therefore. I think that the message going out from Bangkok after this two-day meeting is that two of the most important regions of the world — Europe and Asia — are going to work together, determined to strengthen their cooperation and create confidence and reciprocal understanding. And this will bring about mutual advantages, but also more chances for peace and progress for all. Our ultimate goal is indeed to lay a solid foundation for the future. This meeting has looked to the future, not to the past, not to the differences that may once have divided the two regions. We have looked to things that can bring us together, not to those that have separated us in the past.

As the prime minister just said, bilateral issues, when raised, were all approached in a constructive manner, thanks, I must say, to the diplomatic skills and ability of Prime Minister Banhan.

The focus of the meeting and the attention was on investment and growth but also many other matters that had been recalled briefly by the prime minister and that you will find detailed in the Chairman's Statement.

I would like to add a few words, then, to this effect that the success of the meeting owes much to the Thai presidency and to the fact that the dialogue has been inspired by three basic principles: informality, flexibility, and pragmatism.

This meeting is only the first of a more articulate process of consolidation of the Europe-Asia relations. We want to continue with this formula as a model. No (?new institution) has been created; rather (?we're set) to follow up with meetings at the level of senior officials and experts for moving on with specific projects as well as with meetings at ministerial level on subjects of mutual interest and, in particular, ahead of the major international events. Finally, I would like to thank Prime Minister Banhan for the exceptional hospitality we have been offered by Thailand, a country which has shown itself yet again to be a land of friendship and courtesy as well as a land of efficiency looking with confidence to its future. Thank you very much.

Malaysia 'Concerned' Over ASEM Institutionalization

BK0203091896 Kuala Lumpur THE STAR in English 2 Mar 96

[Report by Harpajan Singh and Shahanaaz Sher Habib — received via Internet]

[FBIS Transcribed Text] Bangkok — Malaysia is concerned that certain countries are keen to institutionalise ASEM [Asia-Europe Meeting], proposing that Asia and Europe kick off ministerial forums, International Trade and Industry Minister Datuk Sri Rafidah Aziz said.

She said there were proposals at the ASEM ministerial session yesterday that a finance ministers' forum be launched.

"We fear that if this happens, ASEM will sway from its objective to step up private sector interaction. It may become like APEC [Asia-Pacific Economic Cooperation], where one country invites ministers and then a forum takes off."

"APEC never planned to have so many ministerial forums," she said after the first day of the ASEM ministerial meeting which is being simultaneously held with the leaders' two-day meeting.

Rafidah said human rights was not raised at all in the first day, adding that the ministerial meeting yesterday was adjourned prematurely as several European ministers had made plans for bilateral meetings during ASEM sessions.

Foreign Ministry Secretary-General Tan Sri Ahmad Kamil Jaafar said the ministerial meeting listed rebuilding Bosnia as a programme that ASEM countries could work together besides democratisation of the United Nations.

Kamil said the senior officials were still unable to finalise the chairman's statement which was supposed to be completed on Thursday but expressed confidence that the loose ends would be tied up today.

ASEM Praised For 'Progress' on East Timor Issue

BK0303121396 Bangkok THE SUNDAY POST in English 3 Mar 96 p 4

[Report by Nusara Thaithawat]

[FBIS Transcribed Text] Thai and European Union leaders praised the Asia-Europe Meeting [ASEM] yesterday for the apparent progress made towards a resolution of the East Timor dispute.

Portuguese Premier Antonio Manuel de Oliveira Gutteres said his unscheduled bilateral talks with Indonesia's President Suharto late on Thursday had been a "concrete demonstration" of what could be achieved by the summit.

Gutteres offered partial diplomatic relations with Indonesia in return for the release of East Timorese resistance leader Jose Xanana Gusmao.

In the closing press conference, Prime Minister Banhan Sinlapa- acha and EU Commission President Jacques Santer together described ASEM as instrumental in achieving what they called a "breakthrough".

The meeting between Gutteres and President Suharto took place after Banhan, as chairman, urged them to discuss their dispute outside the summit in order to avoid "disrupting" it.

Gutteres said he was "deeply satisfied" with the results.

East Timor had become a central issue at both the bilateral-and multilateral levels, and politics was not overshadowed by trade and economics, he said.

"The situation at the end of the meeting is completely different from at the beginning," he commented.

"At the beginning one had the impression that everybody was embarrassed with the possibility of the (East Timor) issue being brought up.

"At the end, we are being congratulated by everybody, both on the Asian and European sides."

The mood completely changed when Portugal put forward a constructive proposal welcomed by the meeting, he said.

The ten Asian leaders (seven from the Association of Southeast Asian Nations plus China, Japan and South Korea) and their counterparts from the European Union had been careful to leave out "delicate" issues.

Gutteres said he had decided to meet Indonesian President Suharto when briefed of the meeting's procedures by host Banhan on Thursday night.

Banhan asked that bilateral issues be kept at the bilateral level.

It was the first meeting in 20 years between Portuguese and Indonesian leaders.

Gutteres told Suharto his government was ready to accept an initiative from the UN secretary-general towards normalisation launched a few years ago.

This was for Portugal and Indonesia to exchange interest offices in a friendly embassy in each other's capitals.

In exchange, Indonesia was to release Xanana Gusmao and other members of the East Timorese resistance in jail and guarantee that human rights would be respected.

Gutteres cited slain Israeli leader Shimon Peres, who said that in opening talks to resolve a problem one must first find a partner rather than an immediate solution, and build confidence to find options.

"The signs are not very clear," he said when asked whether he had found a partner in Suharto.

He said he was told by Suharto during the bilateral meeting, which lasted 20 minutes and was attended by the two countries' foreign ministers, that he had instructed Foreign Minister Ali Alatas to open discussions.

He said Alatas on Friday gave out contradictory signals.

"I think the Indonesians need time to fully evaluate the content of this proposal," he said.

"We believe in what we are doing, so we can wait for the Indonesians to clarify their position. We're ready when they are."

Gutteres said he did not expect a definite yes or no from Suharto at the impromptu meeting at which the surprise proposal was made.

He said he reported on the meeting to the plenary session and described it as "cordial, frank, open and awfully constructive."

While not telling the Indonesians what they should do, he said "technically" there were many possibilities to resolve an Indonesian court ruling which sentenced Gusmao to life in prison commuted to 20 years. There was recently an amnesty in Portugal.

Indonesia annexed the former Portuguese colony of East Timor in 1975.

Gutteres said he was pleased with the outcome of the meeting and particularly with the chairman's statement underlining the need for political dialogue between Asian and European countries and reaffirmation of the commitment to key international human rights documents.

He stressed that while non-interference and mutual respect were underlined, the chairman's statement clearly stated that it was within the framework of international law and obligations.

Asked whether Portugal had become a champion of human rights at the meeting, he replied that it was "not a question of being a champion, but of values and beliefs."

He said human rights and fundamental rights, including the right to self-determination, had universal value and probably did not originate from Europe but Asia from which civilisation evolved.

"We are at ease," he said when asked about Portugal's own human rights violations in East Timor as a colonial power.

He said his Socialist party had an anti-colonial policy.

"You do not need to have a moral right in your past to defend human rights. Human rights are a value," he said.

If the Indonesians declined cooperation, he said, Portugal would maintain its position and continue with its efforts on East Timor.

Portugal announced on Friday that it would open embassies in three more Asian capitals — Kuala Lumpur, Singapore and Manila.

Portugal's Guterres Expresses 'Deep Satisfaction' With ASEM

BK0303123496 Bangkok THE SUNDAY NATION in English 3 Mar 96 p A3

[Report by Yindi Loetcharoenchok]

[FBIS Transcribed Text] The prime minister of Portugal yesterday expressed "deep satisfaction" with the results of the first Asia-Europe Meeting [ASEM], which the highly sensitive issue of East Timor initially threatened to derail.

Prime Minister Antonio Guterres, who travelled to Bangkok with a "surprise proposal" on East Timor, said he did not expect Indonesian President Suharto to give a final answer to his initiative when the two had an unscheduled meeting late Thursday [29 February] night.

Guterres said his proposal put Indonesia "on the defensive", but that Portugal could wait until Jakarta was ready to clarify its stand.

Suharto's response that the matter be taken up further by the foreign ministers of the two countries was not a surprise, he said. Guterres also expressed his understanding that Indonesia needed time to fully evaluate his proposal.

During the meeting with Suharto, Guterres proposed that Portugal put diplomats in a friendly embassy in Jakarta, and allow Indonesia to do the same in Lisbon on two conditions.

The first condition is be that Indonesia release jailed East Timor resistance leader Xanana Gusamo and his followers. Secondly, Jakarta must fully respect human rights in East Timor and allow United Nations observers to travel freely in the territory.

Guterres said his talk with Suharto was cordial, describing it as "frank, open and awfully constructive" when he informed the plenary Asia-Europe summit of the bilateral meeting, the first in more than two decades since the two countries broke off ties after Indonesia invaded East Timor in December 1975.

"I think the Indonesians need time to fully evaluate and contemplate this proposal. We believe in what we are doing, so we can wait for them to clarify their position, and we are ready to start discussions whenever they are ready," the Portuguese leader told a press conference yesterday.

He expressed hope that Jakarta would consider the proposal with an open attitude that would allow both sides to proceed with the negotiations under the framework of the United Nations.

Both sides have different final objectives, he said, as Portugal has insisted on the right to self-determination of the East Timorese people and the respect of human rights in the troubled former Portuguese enclave.

Jakarta, on the other hand, has argued that a valid act of self- determination had taken place, and maintained that the "majority" of East Timorese wanted to be integrated with Indonesia.

Guterres said Portugal is expecting that a "reasonable and constructive" proposal will help build confidence and allow new steps for both sides to take in the future.

Quoting Israel's Prime Minister Shimon Peres, who said he was looking for a partner and not a final solution when his country began peace dialogues with Palestine, the Portuguese premier remarked that "signs [of partnership with Indonesia on his proposal] are not very clear."

Portugal, he said, "will go on fighting for the rights in which we believe" if Jakarta rejected his initiative.

The Portuguese premier said he knew that the heads of state and heads of governments of the 10 Asia and European Union countries were probably embarrassed and unhappy that the issue of East Timor could be brought up to jeopardize the historic summit.

However, at the end of the conference this seemed not to be the case, he noted.

"At the end of the conference I was congratulated by everybody — the European and the Asian side — on the initiative that was taken, which means that it [the proposal] entirely changed the mood," he said.

"I think people were expecting Portugal to take a purely negative position. But we presented a positive and constructive proposal that represented an innovation in relation to the past. That was extremely well accepted by everybody and I think that put Indonesia on the defensive," he said.

Guterres said he was particularly happy that the ASEM did not turn out to be a forum to discuss only economic and trade issues but that a political agenda, including East Timor, was also mentioned during both the summit and the simultaneous meetings of Asian and European foreign ministers.

He said he was also happy that the Chairman's Statement released at the end of the summit contained the promotion of fundamental rights, which according to Portugal includes the rights of self- determination.

East Timor is not a bilateral problem between Indonesia and Portugal but an international problem, he insisted. Guterres then stressed his interpretation of the final document, saying the statement recognized the need for support of international initiatives to solve outstanding problems.

According to Guterres, Portugal, which was the first European country to set foot in Asia, is showing its strong interest in Asia by the fact that it will open embassies in Kuala Lumpur, Manila and Singapore.

EC President's Statement at Conclusion of ASEM

BK0203095596 (Internet) Thai Ministry of Foreign Affairs Asia-Europe Meeting WWW in English 2 Mar 96

[Statement by EC President Jacques Santer at the conclusion of the Asia-Europe Meeting in Bangkok on 2 March]

[FBIS Transcribed Text] First of all I would like to thank His Majesty the King and Thai authorities for having hosted this meeting and for the splendid hospitality which we have enjoyed in Bangkok.

Before I left Europe for Bangkok, I was confirmed with scepticism about ASEM [Asia-Europe Meeting]. Was this going to be just another of so many international meeting without decisions, without agreements, but with big potential conflict between different societies and cultures? My answer was this: ASEM could well prove to be of truly historical importance. In 1951 we started in Europe and integrated process of the coal and steel sectors. A small beginning. In a few years from now, before the turn of the century, that integration process of the turn of the century, that integration process will have grown into economic and political union, with a common currency. Nobody would have believed such a prediction in 1951. Today it confirms an old truth: even the tallest tree starts from a small seed.

But already today the importance of this Europe-Asia meeting is clear. It marks a historical turning point in our relations. For the first time in history, Europe and Asia have sat down to discuss how to build their future region-to-region relation in their common interest and to their mutual advantage.

They have done so which a broad agenda covering political, economic, and cooperation issues. And they have done so by setting a firm agenda to ensure a complete follow-up. The Statement of the Prime Minister of Thailand indicates how this will be done. I was struck by the fact that so many leaders came with concrete proposals, for instance in the field of education and culture, environment, railway links.

The private sector will be involved. Several meeting of the ministers and senior officials will keep up the momentum of the process. The European Commission is pleased to host the July Brussels meeting on trade and investment issues. We will also organize a major conference on European Investment in Asia on 1 April next in Geneva. And the European Union will throw its weight behind all other projects and endeavours aiming at the success of ASEM.

Malaysia Appointed To Oversee Trans-Asia Rail Link Study

BK0303130396 Bangkok THE SUNDAY NATION in English 3 Mar 96 p A3

[Unattributed report]

[FBIS Transcribed Text] Malaysia will head the study of a proposed trans-Asia railway, with priority for a connection with the Mekong sub-region, currently under sponsorship of the Asian Development Bank.

The study will include the possibility of a link with the trans-European railway system.

The agreement to appoint Malaysia to coordinate the countries concerned in the railway was reached by leaders of Asia and the European Union as part of efforts for future cooperation and closer economic ties.

It was also mentioned in the chairman's statement issued at the end of the meeting yesterday.

The development of the Mekong sub-region has gained international attention, particularly from the private sector. ASEAN leaders in December last year empowered Malaysia to coordinate the promotion of a sub-regional transportation network in the Mekong sub-region.

During the ASEM [Asia-Europe Meeting] meeting, Thailand proposed Asian and European partnership for development of the Mekong sub- region and other undeveloped countries to reduce poverty. Some European countries have agreed to help development by setting up overseas development funds.

Malaysian Prime Minister Mahathir Mohamed said yesterday India and Pakistan could join in future Asia-Europe summits, but maintained his opposition to the entry of Australia and New Zealand.

He said the meeting agreed to first "deepen" the summit through cooperation programmes, instead of widening it through the admission of more participants.

It would be necessary to admit India or Pakistan at some stage, he said. But he stressed that if that happened others would then say the door should be opened to Australia and New Zealand.

"That puts a different complexion on the whole thing," he said.

"I cannot actually accept that Australia and New Zealand are part of East Asia, or part of Asia," Mahathir told the news conference. He added that Europeans still viewed Asians with "suspicion" — even if European leaders had become "less patronizing". "There is a willingness to accept Asian leaders as equals," he said.

"But we feel also that there is still a feeling of suspicion towards Asian countries, which is why EAEC [the East Asia Economic Caucus] is not fully accepted," he added, referring to his own pet project.

Mahathir said there was a "desire to dilute the Asian presence" by adding participants from non-Asian countries to groupings like the EAEC and the Asia-Europe Meeting.

"We hope that over time, these suspicions will diminish through more frequent exposure of Asian leaders and Asian countries to Europeans and other nationals," he added.

ROK President on Railroad To Connect Asia, Europe

SK0303104496 Seoul YONHAP in English 0826 GMT 3 Mar 96

[FBIS Transcribed Text] Bangkok, March 3 (YONHAP) — Asian and European leaders have agreed to connect their two continents by a railroad, South Korean President Kim Yong-sam said on Sunday.

President Kim, visiting here for the first Asia-Europe Meeting [ASEM], told reporters that the 26 Asian and European leaders who attended the ASEM agreed to construct a trans-Asian railway to connect it with the European railway network.

President Kim disclosed the agreement at the bull session with South Korean reporters at the Orchid Sheraton Hotel.

"The trans-Asian railway will pass through South and North Korea, China, Indochina and Singapore," President Kim said.

All the countries concerned but North Korea agreed to the idea, but Pyongyang's agreement is only a matter of time, Kim said. North Korea did not participate in the ASEM.

The first ASEM closed Saturday after 26 leaders from the two continents agreed on a set of initiatives at "a new comprehensive partnership for greater growth."

Attending the historical two-day meeting were the heads of state and government from three Northeast Asian and seven Association of Southeast Asian Nations (ASEAN) countries, 15 European nations with the head of government of Italy acting also as president of the European Union, and the president of the European Commission.

"South Korea's railway carriage and locomotive manufacturers as well as construction companies will be able to participate in the project," President Kim said.

He also mentioned the summit meeting with Japanese Prime Minister Ryutaro Hashimoto.

"I told the Japanese prime minister that Tokto is the Korean territory historically as well as legally. Tokto issue is never negotiable, and I will cope with the issue under the principle," he said.

Earlier the day, President Kim had the first summit meeting with Irish Prime Minister John Bruton at the Orchid Sheraton Hotel to discuss matters of mutual concern including ways to promote practical cooperation between their two nations.

They also talked about cooperation between South Korea and the European Union.

President Kim invited the Irish prime minister to visit South Korea some time in the near future.

Meanwhile, President Kim is scheduled to return home on Monday.

ASEM Leaders Agree on Cooperation for UN Reform

BK0303133096 Bangkok THE SUNDAY NATION in English 3 Mar 96 p A5

[Report by Kulachada Chaiphiphat]

[FBIS Transcribed Text] Asian and European leaders have agreed to cooperate through their representatives at the United Nations on promoting the effective reform and further democratization of the world body.

Political dialogue between the two regions is vital to the question of reforming the UN system, according to the chairman's statement issued at the end of the two-day Asia-Europe Meeting [ASEM] yesterday.

The statement said the meeting agreed reform should include the Security Council, the General Assembly, the Economic and Social Council and finances, with a view to reinforcing the organization's pre-eminent role in maintaining and promoting international peace, security and sustainable development.

Asian countries in general have called for the enlargement of the Security Council to give equal representation to each region. The seven members of the Association of Southeast Asian Nations (ASEAN) have supported Japan's bid for a permanent seat and proposed a rotating seat for ASEAN states.

At the Asia-Europe ministerial meeting on Thursday, Foreign Minister Kasemsamoson Kasemsi proposed that a seat on the Security Council be reserved permanently for ASEAN, but without the right of veto.

The proposal is one of several being debated at the UN to democratize the decision-making process, which is dominated by major powers.

Foreign Ministry spokesman Suraphong Chaiyanam said regional representation would reflect the increasingly important role of regional groupings in world politics and trade, and protect the particular interests of the various regions against domination by major powers.

ASEAN countries already consult informally as a group at the United Nations.

Suraphong said Asia-Europe dialogue at the UN was proposed by Asian leaders during closed-door meetings. Agreement was a forward step in strengthening political and security cooperation.

During closed sessions on Friday and yesterday, ASEM leaders and foreign ministers discussed political and security issues affecting the two regions, in particular nuclear disarmament, UN reform and transnational issues.

"The meeting of the heads from Asia and Europe reflects their common desire to strengthen political dialogue between Asia and Europe," the chairman's statement said.

However it stressed that consultation should be on a basis of mutual respect, equality, promotion of fundamental rights and, in accordance with the rules of the international law and obligations, non-intervention, whether direct of indirect, in each other's internal affairs.

Britain and France, the two European nuclear powers, have given general support to the ASEAN treaty for a nuclear weapons-free zone, but have reservations about the area encompassed by it.

The meeting, however, noted the ASEAN treaty as contributing to a nuclear Non-Proliferation Treaty regime.

Prime Minister Banhan Sinlapa-acha told the end-of-meeting press conference the nuclear powers had given a verbal commitment to become associate signatories of the treaty, but said they needed time to study it.

The statement said the leaders reiterated their determination to pursue systematic and progressive efforts to reduce nuclear weapons globally with the ultimate goal of eliminating those weapons, and of general and complete disarmament under strict and effective international controls.

It emphasized commitment to non-proliferation and the prohibition of biological and chemical weapons.

Thai Paper Views Tasks Facing Next ASEM in London

BK0303123596 Bangkok THE SUNDAY POST in English 3 Mar 96 p 1

[Report by BANGKOK POST reporters]

[FBIS Transcribed Text] Asian and European leaders ended their first summit yesterday with a long list of tasks to complete before gathering again in London in 1998.

Participants said the list was the major achievement of the summit because it maps out steps to be taken to establish a "comprehensive partnership for greater growth".

This is to be backed up by business, cultural, and intellectual linkages to advance towards global peace and prosperity .

The list includes:

- Creating formal business links.

- Following up foreign affairs and economic ministers' meetings.
- Promoting flagging investment ties.
- Developing the World Trade Organisation's agenda.
- Reforming the United Nations.
- Working towards disarmament and early completion of a comprehensive nuclear weapons testing treaty.
- Building a rail network spanning Asia, possibly to Europe.

Ten Asian leaders, including those of Japan, South Korea and China, and seven ASEAN nations along with their counterparts from 15 European Union nations plus the EU Commission President, ended the summit with a commitment to nurture the partnership.

The message is that two of the world's most important regions are to work together as equals.

Prime Minister Lamberto Dini of Italy, which holds the six-month rotating presidency of the EU, said: "We looked to things that draw us together, not those that divided us in the past.

Between now and 1988, Asia and Europe have committed themselves to sustain the momentum of the relationship including ministerial, private sector, and officials meetings.

The first activity will be a conference on European Investment in Asia in Geneva on April I hosted by the European Commission, which will also organise the first get-together between Asian and European officials in Brussels this July.

Despite anticipation of numerous activities in the next year or two, participants said they do not plan to create a bureaucracy which they think "open and evolutionary" with the immediate task of translating vision into action.

India, Russia, Australia and New Zealand are among countries seeking to participate in the next round but most members think ASEM [Asia-Europe Meeting] should achieve concrete results before expanding.

Prime Minister Mahathir Mohamed of Malaysia said Australia and New Zealand could not qualify for membership because they are not in Asia.

"It was decided," he said, "that we should deepen, that is, consolidate and demonstrate the effectiveness instead of numerical expansion that may dilute or complicate things."

However, Prime Minister John Major of Britain supported the entry of India and Ryutaro Hashimoto of Japan that of Australia.

European Commission President Jacques Santer said the EU is sending a delegation to meet Indian officials today to "involve them in the process".

Prime Minister Banhan Sinlapa-acha, declared the meeting he chaired a "success beyond expectations".

He cited the breakthrough over East Timor struck in talks between President Suharto of Indonesia and Prime Minister Antonio Oliveira Gutteres of Portugal as evidence of the success of the informal approach Asia advocates.

Promoting trade, investment and understanding and strengthening the international trade and security rules of the WTO and the UN emerged focal points.

In a chairman's statement, Mr Banhan said political dialogue should be conducted on the basis of mutual respect, equality, promotion of fundamental rights rules of international laws and obligations, non-intervention in each other's. internal affairs.

Dr Mahathir felt there had been far less patronising on the part of European leaders, who demonstrated a willingness to accept Asian leaders as equal partners.

However, he said, memories of past still "hover in their thinkings".

But on the whole, Asian and European leaders pledged to bridge the gap of perception and understanding through activities along the lines of what the United States had done in Asia, such as the Fulbright or Heritage foundations.

An Asian diplomat said: "Relations between Asia and Europe will never be the same."

ASEM Participants Comment on Achievements

BK0303133296 Bangkok THE SUNDAY POST in English 3 Mar 96 p 5

[Report by Wichit Sirithawiphon, Nusara Sawatsawang, Saritdet Marukhathat, and Peter Maitri Ungphakon]

[FBIS Transcribed Text] How did it go? "Better than expected," according to Kroekkrai Chiraphaet, director-general of the Business Economics Department and one of Prime Minister Banhan Sinlapa-acha's interpreters at the first Asia-Europe Meeting [ASEM].

His comment was not empty optimism. The chairman's statement, the only official document to be issued at the end of the summit, had an addition made to it at the last minute — a full page of actions to be taken from now until the second summit in Britain in 1998.

"We now have a road map," Mr Kroekkrai said.

The Asian and European leaders did not just come to Bangkok, have a chat and leave.

They set themselves and their ministers a number of tasks designed to strengthen what is seen as the weakest side of the Asian-European-North American triangle.

The tasks are mainly economic: setting up business links, drafting an investment promotion plan, working together in the World Trade Organisation. And above all there are meetings, meetings and more meetings.

In another respect another senior Asian official also expressed satisfaction.

Datuk Asmat Kamaluddin, secretary-general of Malaysia's International Trade and Industry Ministry, said the atmosphere in ASEM was more comfortable than in the Asia-Pacific Economic Cooperation group meetings.

In APEC [Asia Pacific Economic Cooperation] , he said, the Americans have an aggressive free trade agenda to push.

By contrast, the Europeans came to Bangkok in a more receptive mood. They did not have a firm agenda and therefore they were more willing to sit and listen to the Asians, Datuk Asmat said.

Jacques Santer, president of the European Union Commission was even more generous in his praise in his statement at the end of the summit.

The meeting "marks a historical turning point in our relations," he said.

"For the first time in history, Europe and Asia sat down to discuss how to build their future region-to-region relations in their common interest and to their mutual advantage.

"I am convinced our next meeting in London in 1998 will confirm through concrete results that Bangkok was the start of a great endeavor."

He added: "I believe we have found the right format which will be maintained for our next meeting."

So if the Asia-Europe Meetings are the grand dinner, the hors d'oeuvres were served in the first meeting and seemed to satisfy all 26 diners.

But the next step is more challenging as there are high expectations for the main course.

Not least among the uncertainties, however, is who will be the key chefs cooking the next course.

If Mr Banhan appears in a shaky position in this country, the future of his successor as ASEM's chairman, Britain's John Major, is even more doubtful.

The fact that the EU presidency was represented this weekend by an interim prime minister, Lamberto Dini of Italy, underscores the challenge.

ASEM will have to proceed with some semblance of continuity despite the fluidity of its members' politics.

For the time being, no one is talking about setting up an ASEM bureaucracy.

But Dr Mahathir Mohamed, Malaysia's prime minister, showed an unusual lack of concern about the possibility that ASEM could soon be forced to set up a secretariat.

In the past he has been a vocal opponent of turning forums such as APEC and ASEM into institutions.

The comparison between APEC and ASEM was a frequent subject of speculation and questioning on the fringes of the summit. The scope of their coverage is different because APEC concentrates on economic issues while ASEM has already dealt with security, disarmament and the United Nations.

Datuk Asmat's reference to the absence of a pace-setter like America in ASEM is also a difference. In APEC, the United States and Australia have persistently forced the momentum to continue.

But in the more relaxed atmosphere of ASEM there is still plenty of work to be done.

For Thailand, Mr Banhan assigned the International Economic Policy Committee chaired by Deputy Prime Minister Ammuai Wirawan to follow up what the meeting discussed.

If still in his post, Mr Amnuai will attend the economic ministerial meeting in Japan next year to follow up what the leaders agreed upon and Asian and European foreign ministers will hold talks in February in Singapore.

Senior officials from both sides will meet in July in Brussels to discuss ways of increasing the flow of trade and investment between the two regions under the World Trade Organisation.

Mr Amnuai said: "Thailand will handle an action plan on investment with the British for the next six months and participating countries will consider recommendations and comments from the Asia-Europe Business Forum."

A Foreign Ministry official said close cooperation is needed during the transitional period from now to 1998 not only to set clearer directions but also for Thailand to maintain its status as one of the key players in the intercontinental forum.

Although Thailand wanted to host the first Asia-Europe Business Forum, the honour was yielded to France which argued that many of the other meetings are to be held in Asia.

The second meeting will now be held in Thailand before the next summit.

Other decisions taken at the Bangkok meeting included the establishment of the Asia-Europe Association, the Asia-Europe foundation and the Euro-Asia University Programme.

Then there was a commitment to supporting free trade under the World Trade Organisation, reforming the United Nations and controlling weapons and banning nuclear tests.

Meanwhile, on the thorny issue of human rights, Mr Santer said the leaders have referred to such issues but were not prepared to negotiate or say anything confrontational.

But he said they did recognise differences of opinion on things like human rights.

The leaders did not deal directly with the criticism raised by non-governmental organisations before the ASEM that the summit was concentrating on business interests and not looking at those of ordinary people, such as civil liberties.

This is something Kothom Arya, a prominent Thai human rights activist, hoped to see tackled in the future.

The NGO [Non-Government Organization] conference last week came up with a number of recommendations on human rights, labour and women, as well as investment.

Mr Kothom, who helped organise it, added:

"We are determined to have contact at grass-roots level, collect all the problems and coordinate with the governments. We hope our proposals and recommendations will be taken into consideration ."

At the Bangkok meeting the Asian and European countries showed they were willing to see more summits in the future by trying not to raise sensitive issues and leave problems resolved in bilateral talks.

That was the case when Portuguese Prime Minister Antonio Gutteres and Indonesian president Suharto met for the first time in 20 years and agreed on steps towards restoring diplomatic relations and resolving their quarrel over East Timor.

Mr Banhan, Mr Santer and Mr Gutteres described the East Timor breakthrough as a sign ASEM can serve to settle bilateral disputes but only so long as those disputes remain outside the main meeting room.

Malaysian Prime Minister Speaks to Asian Businessmen

BK0403054696 Bangkok THE NATION in English 4 Mar 96 p A3

[Report by Ki Woo]

[FBIS Transcribed Text] Malaysian Prime Minister Mahathir Mohamed paused briefly to pour cold water on the euphoria surrounding the Asia-Europe Meeting [ASEM] before he returned home yesterday.

In a speech to about 150 Asian business[men] Mahathir said that while ASEM helped dissipate Europe's unwarranted fears about a resurgent East Asia, true understanding will never develop if Western societies continue to judge the world by their own standards and beliefs.

While much of East Asia has successfully shed the shackles of colonialization and reasserted itself as the world's fastest growing region, a new form of colonialization is replacing physical occupation and the gunboat.

"The control of the international media by the West renders independent thinking impossible," he said.

For the past 100 years or so, European thoughts and values embodied in various ideologies have dominated the world.

"Socialism, capitalism, communism and mutations of these originated in Europe as a result of their political, economic and social problems," he said.

With the fall of communism, and socialism discredited as counter- productive, Western intellectuals realized they incorrectly analyzed what ailed their societies and prescribed the wrong remedies, Mahathir said.

"Today, socialism and communism are not ideologies anyone would fight and die for."

By the 20th century, Western or European thought so dominated the world that even the religions, which he said mostly originated in the East, had to explain their teachings in terms of Western thoughts and ideas, especially pertaining to the equality, fraternity and liberty of the human soul.

Not to conform to these ideas made even religions less than acceptable to the dominant cultural values of the world, he said.

Now, because the West controls the international media, non- Western thoughts such as Asian values are often portrayed as heretic. "Can we believe that the present Western thinkers are absolutely right?" he asked.

Mahathir pointed to the West's obsession with its concept of equality. While equality before the law, which permeates all European or Western thinking, is a laudable concept, he said, in practice equality is far from ideal — a rich criminal with the best lawyers can get away with murder, but innocent poor suspects, assigned only third rate lawyers, often cannot prove their innocence.

"The equality is only apparent, but far from being truly equal," he said.

Socialism and communism destroyed the economies of prosperous nations, impoverishing them and even making slaves of their people.

"There was not even equality of poverty," he said.

Some socialists and communists were privileged and rich, while the majority languished in poverty. "The egalitarian society these ideologies promised never really materialized."

Today's prospering East Asian nations face another onslaught of the West's view of equality. In international trade, the big powers are more equal than the others, he said. While a poor country has equal right to apply sanctions against a rich country, in reality it has no power to enforce the sanctions.

Mahathir said international trade institutions such as the World Trade Organization (WTO), advocating equality with a level playing fields", are dominated by Western countries that consider only the benefits of free trade to their own industries.

"Without special incentives, the Malaysian car industry would have never developed — just think of our balance-of-payments problem if we had to import all our cars," he said.

A "level playing field" was only fair if contestants were equal. "It's totally unfair to pit midgets against giants," he said.

Yet international trade organizations such as GATT [General Agreement on Trade and Tariffs], the WTO and the ILO [International Labor Organization], Mahathir said, stress unqualified equality, which is highly unfair. Western nations demand that companies in underdeveloped or developing countries pay the same wage as their companies, and costly environmental protections schemes are forced on a developing country's industries.

"Worst of all, workers are told they should strike regularly to show they are free," he said.

Failure to implement any of these practices, which would destroy Asian economies, brings on anti-dumping measures, countervailing duties or just plain economic arm-twisting.

"The rich and powerful should realize they can achieve equality by lowering their inflated wages, benefits and entitlements," he said.

Mahathir also used the opportunity to push his East Asia Economic Caucus [EAEC], which some Western countries oppose. He was particularly vehement in lambasting this opposition as another example of double standards.

Referring to the United States' attempts to manipulate East Asian countries in the interests of furthering APEC [Asia-Pacific Economic Cooperation], he asked why Eastern countries should not have the right to form their own trade blocs.

"Equality is only good if it results in economic and other gains for the West, but if it is perceived to be a threat to them, then equality is not advocated," he said.

In a further attack on Western values, Mahathir said Asian countries are always attacked for not giving enough freedom to their people. The West, he said, is in decay because it has an interpretation of democracy which promotes anarchy.

Asian values stressing the family and community over individual values run counter to the Western concept, which views protecting a minority's rights as the epitome of democracy.

"What about the rights of the majority?" he asked.

Western values revering the freedom of the individual often result in activities that offend the majority. In Western society, an individual is expressing his rights and freedom of expression if he takes off all his clothes in public.

"But in Asian societies, we would be concerned with offending the majority as a more crucial issue," he said.

Despite all his rhetoric, Mahathir still advocated continuing dialogue with the West and hinted at his continuing respect.

In referring to ASEM, he said, "Today we meet almost as equals, almost, because some of us in Asia are still over-awed by the West."

He was speaking at an Asian Business Leaders Dialogue sponsored by Dow Jones Asian Dialogues.

Malaysia's Mahathir Assails West for Blocking EAEC

BK0403085196 Kuala Lumpur THE STAR in English 4 Mar 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Bangkok — Datuk Sri Dr Mahathir Mohamed lambasted the West yesterday for having double standards regarding equality and freedom.

The Prime Minister said equality was not the great principle that Western countries made it out to be and was only good if it brought economic and other gains for the West and not to be advocated if it was perceived as a threat.

"Clearly, what is right for the Western countries is not right for the Eastern countries.

"A classic case of double standards about equality is the treatment accorded to the East Asia Economic Caucus [EABC]. "The EABC is proposed as a forum for East Asian developing and developed countries to discuss mutual economic problems and to help the development of less developed members. "But some East Asian countries were actually instructed by Western countries, which had formed their own trade blocs, to reject this forum," he said in a keynote address at the Asian Business Leaders forum here.

Dr. Mahathir said that while the East Asia-Europe Meeting barely managed to get the participation of East Asian countries as a loose group, there were already indications that future such meetings should include non-East Asians as well.

Describing freedom as another "sacred cow" propagated in accusations that Asia was not giving freedom to the peoples, he questioned how Asians could be really free when they were not allowed to form their own associations.

"East Asia is set for a renaissance. If the EAEC is given free rein, the free market system will be truly propagated. The weaker economies in the region will benefit.

"The EABC is an idea whose time has come. It can speed up rebirth of East Asia. If indeed the Europeans and North Americans believe in free market and the associated democratic system, the best thing they can do is to support the EABC.

"Blocking it, being suspicious of it or diluting it with non East Asians will only slow down the march to East Asian prosperity. East Asia will remember who helped and will contribute when required," he added.

Dr. Mahathir also said that equality in international relations was not real.

He said that while a poor country also had rights to apply sanctions against a rich country, it in fact could not do so.

He said while equality was emphasised in trade, a level playing field was only fair to all players when contestants were of the same build and unfair when midgets were pitted against giants.

Yet in GATT, the WTO [World Trade Organization] and ILO [International Labor Organization], he said, the stress of the powerful was on unqualified equality, where workers in developing and developed countries were asked to be paid equal wages besides matching developed countries in environmental protection expenditure.

Failure to do this, he noted, would result in anti-dumping measures or plain arm-twisting, adding "it does not occur to the rich that equality can also be achieved by them lowering their inflated wages, benefits and entitlement."

"Equality is great but sometimes it results in aggravating disparities. On the other hand, discrimination, favoured treatment and affirmative action are more likely to result in equality and justice," he added.

France 'Hopeful' of Bigger Role in Asian Security Forum

BK0403052496 Bangkok BANGKOK POST in English 4 Mar 96 p 6

[Report by Anurat Maniphan]

[FBIS Transcribed Text] France is hopeful of getting a bigger role in a two-year-old regional security forum initiated by Southeast Asian countries. But European colleague Germany is shying away from making a similar push.

A French official who asked not to be named said "we have a reasonable hope" when he was asked if Paris was confident of obtaining its own seat in the Association of Southeast Nations' Regional Forum (ARF), where France is now represented only as a member of the European Union.

But the issue, apparently, is a delicate one. Asked how far France had advanced in this bid, French Foreign Minister Herve de Charette would only say "the future will answer that".

With the seven ASEAN member states at the core, the forum for security discussions was launched in Bangkok in July 1994 with the objective of building confidence in the post-Cold War era that has brought peace but engendered new uncertainties, as longstanding differences remain.

Former Cold War antagonists China, Russia and the United states are among founding members of the forum.

India has only just become eligible to become the 20th forum member after ASEAN heads of governments decided in December 1995 to raise New Delhi's status with the grouping to full dialogue partner.

The security forum's membership is accorded to ASEAN's full dialogue partners, who have long been the grouping's main trading partners. These are Australia, New Zealand, Canada, South Korea, Japan, the United States and the European Union.

Prospective ASEAN member states like Laos and Cambodia are also taking part. Russia and China are members of the security forum by virtue of being ASEAN's "consultative partners". Papua New Guinea's membership stems from its having signed ASEAN's peace charter — the Treaty of Amity and Co-operation which calls for peaceful resolution of disputes.

Britain, another member of the 15-strong European Union has also asked for a separate seat in the ASEAN Regional Forum.

But, as yet, EU member Germany seems to have no plans to follow suit.

German Chancellor Helmut Kohl argued for European togetherness when he was asked if Germany wanted to enhance its role in the forum by asking for a separate seat.

"I adopt a very pragmatic stance," he said in Bangkok on Saturday following the conclusion of the meeting of 26 Asian and European leaders.

"We should do as much as possible together as Europeans."

The widespread conviction that political stability is necessary for the economics-driven world order of the post-Cold War is basic to the reason for being of the ASEAN Regional Forum.

Flashpoint areas such as the South China Sea and the Korean peninsula have been raised at the forum over the past two years, in what is argued as a healthy airing of differences among members.

The South China Sea dispute centres on overlapping claims for the Spratly island chain which is believed to be sitting on top of valuable oil deposits.

The main claimants are China and Vietnam. But Taiwan, which Beijing regards as a renegade province of China, as well as Malaysia, Brunei and the Philippines, also claim parts of the chain.

On the Korean peninsula the affluent southern part is yet to unite with the destitute and food-scarce North Korea which is also said to be in possession of powerful nuclear capabilities.

Both France and Germany are seen to be prominent European advocates of more economic, political and cultural engagement with Asian states.

France's president Jacques Chirac on February 29 — exactly a month after he called off controversial nuclear tests in the South Pacific — delivered a major Asia policy speech in Singapore.

Germany launched its Concept on Asia in late 1993 and circulated a glossy booklet on the subject in late 1994 when Bonn held the rotating European Union presidency.

Germany's Asia policy is said to have inspired the European Union to form an Asia policy, which was adopted by the European Council of Ministers in December 1994.

But France, while admitting along with other Europeans that Asia's fast economic growth is a main pull for stronger relations between the two continents, is also showing its strong commitment by putting emphasis on culture.

French Foreign Minister Herve de Charette yesterday presided over the opening in Bangkok of a three-day conference of French cultural attaches posted in 17 countries from the Northeast and Southeast of Asia.

The conference, French officials have said, aims to form a new strategy for France's cultural "engagement" in Asia.

Japan

Japan: Official on Sakamoto, Shapiro Meeting on Chip Accord

*OW0103133796 Tokyo KYODO in English
1323 GMT 1 Mar 96*

[FBIS Transcribed Text] Tokyo, March 1 KYODO — A chief U.S. trade negotiator for Japan met with his Japanese counterpart here Friday [1 March], but no progress was made in narrowing the gap over extension of the Japan-U.S. bilateral semiconductor agreement, said an official of the Ministry of International Trade and Industry (MITI).

Ira Shapiro, senior counsel and negotiator for the office of the U.S. Trade Representative, held a second round of talks in as many days with Yoshihiro Sakamoto, MITI vice minister for international affairs.

The two sides "deepened their understanding of each other's position" on the bilateral chip accord, which is due to expire in July, but did not produce any answer to the contentious issue, the official said.

The United States wants the pact extended in one form or another beyond the July expiration.

Japan, however, sees no need for the extension, believing the pact has accomplished its purpose, with foreign semiconductors now accounting for more than 20 percent of the Japanese market, the target envisaged in the accord.

Citing growing cooperation and mutual confidence between the Japanese and U.S. chip industries, Sakamoto said the government has completed its role and would look like an "uninvited party guest" if it lingers on after the goal has been achieved, according to the official.

Before coming to Japan, Shapiro had proposed dropping mention of the 20 percent target from the chip pact to win Tokyo's consent for an extension. But he and Sakamoto had no substantive discussion on the shape of a revised pact Friday, according to the official.

In another area of dispute, photographic film and paper, Shapiro called for talks with the Japanese trade ministry.

The USTR has been looking into a complaint filed by Eastman Kodak Co. which argues that its products are being unfairly denied access to Japanese consumers because of anticompetitive practices by Fuji Photo Film Co. which controls around 70 percent of the domestic market.

Sakamoto repeated Japan's stance that matters related to the Antimonopoly Law should be handled by Japan's Fair Trade Commission (FTC). He voiced regret that Kodak has yet to file a complaint with the antitrust watchdog organization, the official said.

He also pointed out that the FTC has decided on its own to probe trade practices in the Japanese photo film and paper market. The U.S. side seems to be taking the decision as a positive step, the official said.

Meanwhile, Shapiro expressed appreciation for recent developments under the Japan-U.S. automobile and auto parts agreement signed last August, the official said.

The market share of imported automobiles sold in Japan topped 10 percent for the first time in 1995.

Shapiro called for bilateral talks to monitor progress under the auto accord. But Sakamoto turned down the request, arguing that trilateral talks should be held among Japan, the U.S. and the European Union, as agreed last fall, the official said.

At quadrilateral talks of trade ministers between Japan, the U.S., Canada and the EU held in Britain last October, it was agreed that the EU would attend the auto trade consultation talks as an observer, the official said.

Shapiro, however, argued that such a trilateral forum would not be sufficient, according to the official.

Sakamoto reminded him that "transparency" was the watchword when the talks were agreed. Having bilateral talks would make the transparency less certain and arouse unnecessary suspicions, the official cited Sakamoto as saying.

Japan: Official Says U.S. Upset About PC Procurement

*OW0403075796 Tokyo KYODO in English
0726 GMT 4 Mar 96*

[FBIS Transcribed Text] Tokyo, March 4 KYODO — The United States has complained about bidding prices and procedures for Japanese Government procurement of personal computers, a senior trade ministry official said Monday [4 March].

"The Office of the U.S. Trade Representative (USTR) has pointed out an array of problems on prices and procurement procedures (for government-use PCs)," Vice International Trade and Industry Minister Tomio Tsutsumi said at a news conference.

While Tsutsumi did not mention specific problems raised by the USTR, informed sources say Washington is dissatisfied because Japanese PC suppliers are unfairly offering low bid prices, effectively denying foreign suppliers access to the government procurement process.

"The government will consider what kind of probes to make into the prices," Tsutsumi said.

Japanese central government agencies are planning to introduce local area networks using PCs.

Meanwhile, Tsutsumi denied a press report that Ira Shapiro, USTR senior counsel, called for new numerical targets under the Japan-U.S. Semiconductor Accord when he met in Tokyo last week with Yoshihiro Sakamoto, vice trade minister for international affairs.

"We have no report that a new numerical target was discussed at the meeting," Tsutsumi said.

The current accord calls for the foreign share of the Japanese chip market to steadily rise above 20 percent, a goal which has been already reached.

Before he visited Japan last week, Shapiro said that while Washington wants to see the pact renewed when it expires at the end of July, it will be flexible about the numerical target. Tsutsumi said Shapiro repeated the U.S. will be flexible at the meeting.

Japan, however, insists that no extension of the pact is necessary because the accord has fulfilled its objective.

Japan: Officials Discuss Cargo Talks With U.S.

OW0103165696 Hong Kong AFP in English
1622 GMT 1 Mar 96

[FBIS Transcribed Text] Washington, March 1 (AFP) — US and Japanese negotiators held informal contacts here Friday [1 March] in hopes of resuming formal negotiations on an air cargo deal that broke down the day before, a Japanese embassy official said.

A US official, who asked not to be named, added that he expected "conversations of a diplomatic nature" to take place Friday on the future of a 1952 agreement governing cargo flights to Japanese and US destinations and beyond.

The United States suspended negotiations on Thursday after the Japanese delegation, according to US sources, threatened to cut back on authorizations to fly beyond Japan accorded the US carrier Federal Express unless an overall agreement were reached by March 31.

Japanese First Secretary Akihiko Tamura would not comment on the breakdown but stressed that Japan "sincerely hoped" negotiations would resume later Friday following informal discussions.

The Japanese delegation was due to return to Tokyo on Saturday, he said.

At issue is a 1952 aviation accord, which has since been revised several times, that now offers US air carriers FedEx, United Airlines and Northwest Airlines the right to operate cargo flights to Japan and other Pacific points.

The United States now wants an end to certain restrictions on such flights and hopes to move toward an "open skies" accord that would eliminate constraints on frequency and boost air cargo operations generally.

Japan is seeking to renegotiate the agreement with a view to imposing new limits and on Thursday warned it would curb rights granted to FedEx in June unless an overall deal were wrapped by the end of this month, according to US officials.

But Tamura argued that while US carriers have unlimited access to Japan and onward destinations, Japanese airlines face "strict limitations within the United States and beyond."

"Our principle is to establish an equal footing for both sides," he said.

"We want a more equalized framework for competition, an equalized environment."

He compared the current situation to a 400-meter race. "The United States is already at the 100 meters point while we are back at the starting line with our hands and legs tied."

If the dispute is not settled this month it could figure in a meeting planned for April between US President Bill Clinton and Japanese Prime Minister Ryutaro Hashimoto.

Trade questions are expected to dominate the summit, notably conflicts in the semiconductor and photographic film markets.

Japan: 'Broad Concessions' Pave Way for Aviation Talks

OW0203025796 Tokyo KYODO in English
0243 GMT 2 Mar 96

[FBIS Transcribed Text] Washington, March 1 KYODO — The United States and Japan ended their talks on the air-cargo issue here Friday [2 March], agreeing to meet again soon to seek compromise points in their conflicting proposals that led the three-day session to an impasse at one point.

On the final day, the Japanese side dropped from its proposal a threatening statement to which U.S. negotiators reacted strongly, and the Washington side decided to review the revised Japanese proposal and meet again, senior Japanese and U.S. officials said.

Aside from the controversial statement during the talks — the fourth session since the negotiation for reviewing the cargo portion of the bilateral aviation treaty started last September, a senior Japanese official told reporters afterward, "our proposal satisfies 9.5 out of 10 U.S. requests made in earlier talks."

A senior U.S. official told reporters, "we're pleased that the Japanese delegation did put on the table this afternoon a (revised) proposal...and on that basis, we're prepared to move forward."

The two sides did not set a date for the next meeting, but Japanese negotiators asked their U.S. counterparts to choose a date at their convenience after March 18 to meet in Tokyo.

"There are basically no major differences between the two nations" now that Tokyo has offered broad concessions, the Japanese official said in expressing hope for progress at the next meeting toward a resolution by the March 31 deadline.

The air cargo issue is one of the four trade issues described by U.S. President Bill Clinton as "unfinished business" between the two nations when he met with Japanese Prime Minister Ryutaro Hashimoto in Santa Monica, California, on Feb. 23.

Washington has called for progress in the four trade disputes before Clinton's state visit in mid-April.

The three other issues are semiconductors, insurance, and photographic film and paper.

Japan: Minister Outlines Proposals Made to U.S. at Aviation Talks

OW0403042096 Tokyo NIHON KEIZAI SHIMBUN in Japanese 1 Mar 96 Morning Edition p 3

[FBIS Translated Text] Transportation Minister Yoshiyuki Kamei held a news conference after a 1 March cabinet meeting and commented on the ongoing negotiations in Washington over the air cargo sector in the Japan-U.S. aviation talks. He revealed that "Japan presented concrete proposals to the United States." Among the main points of the Japanese proposals are the following: 1) To put off for three years the issue of the interpretation of the so-called "beyond rights" (rights that allow a carrier to fly to one country and then fly beyond to another country), which is the biggest point of contention; 2) to approve new beyond routes to established U.S. carriers on a limited basis and grant further operational rights to late-comer carriers; and 3) to completely lift restrictions on the number of flights that Japan Airlines and Japan Cargo Airlines are authorized to operate.

Japan also indicated that it would "nullify the bilateral accord reached last July if the ongoing negotiations cannot be settled by the end of March."

The main feature of the Japanese proposals is the shelving of the issue of "beyond rights" that will allow U.S. carriers to fly to Asian countries from Japanese airports. This is an issue on which Japan and the United States will find it difficult to reach a compromise, as the deadline for the negotiations, which has been designated as the end of March, approaches. In its proposals, Japan is trying to get the United States to agree, under such preconditions, to bargain on specific operating rights that both countries tentatively need. Regarding canceling the [second day of] negotiations, the United States has explained that it "would like to carefully review Japan's proposals." The negotiations are expected to resume on 1 March.

Japan: Governor Ota, U.S. Pacific Commander Meet 2 Mar

OW0303120496 Naha RYUKYU SHIMPO in Japanese 2 Mar 96 Evening Edition p 1

[FBIS Translated Text] Admiral Joseph W. Prueher, commander-in-chief of the U.S. Pacific Command, arrived on Okinawa on 2 March for his first visit to the island since he assumed his present position. He visited Okinawa Governor Masahide Ota at the prefectural government building where the two officials exchanged views on issues related to U.S. military bases on Okinawa. In response to questions by reporters, Prueher stressed the need to maintain the functions of Futenma Marine Corps Air Station [MCAS], which serves as a base for marine air power in the Far East. Ota emphasized that "the settlement of military base issues will help deepen friendly relations between Japan and the United States, rather than damage the bilateral relations." Prueher replied: "I agree with what the governor says. It is important to maintain friendly ties between the United States and Japan, especially between the United States and Okinawa."

Ota expressed hope for progress in the realignment and reduction of military bases, saying: "We Okinawans are deprived of using the land, the sea, and the sky. We are deprived of a normal livelihood we should be able to enjoy as part of a sovereign nation. We are not making any excessive demands." In response, Prueher made no specific references, merely saying: "The U.S.-Japan Special Action Committee for Okinawa will likely continue making constructive efforts."

Regarding a reporter's question on the functions of Futenma MCAS, Prueher stressed the need to maintain the base's functions, saying: "It is necessary."

Accompanying Prueher in his first Okinawa visit were top military leaders, including Ambassador Sermon [title and name as published], U.S. Pacific Command adviser on political affairs, Lieutenant General Myers, commander U.S. Forces, Japan [USFJ], Major General Pace, deputy commander USFJ; Major General Wayne E. Rollings, commander U.S. Marine Corps, Japan (concurrently coordinator of Joint Forces, Okinawa); and Major General Steel [name as published], commander U.S. Army, Japan. Prueher is to inspect military bases on Okinawa, exchange views with the local commander, and depart Okinawa on 3 March.

Observers believe that the purpose of Prueher's visit is to "lay the groundwork" for rectifying Okinawa military base issues before U.S. President Bill Clinton's visit to Japan in April.

Japan: Local Police Heed Threat Against U.S. Military Site

OW0403030896 Naha OKINAWA TIMES in Japanese 1 Mar 96 Morning Edition p 31

[FBIS Translated Text] The Okinawa Prefectural Police Headquarters [OPPH] disclosed the intention to set up soon a guard task force to deal with possible moves by extremist organizations regarding land within the Sobe Communications Site (located in Yomitan village), the lease for which expires on 31 March. The OPPH has obtained information that extremist organizations plan to mobilize a large number of people from mainland Japan if a court verdict on the proxy signing of forced land leases for U.S. military bases is not pronounced before the end of March.

If the national government fails to obtain the title to the land within the Sobe facility before the contract's expiration and a situation of "illegal occupation" occurs, the Naha Defense Facilities Administration Bureau [DFAB] has to confer with the U.S. side to decide whether or not land owners are allowed to enter the facility. The OPPH said that it has not so far received a request from the Naha DFAB to guard the facility. This was disclosed by OPPH head Yutaka Katagiri at an informal meeting with reporters on 29 February.

According to the OPPH, extremist organizations have reportedly pointed out the struggle at the Sobe site as a priority issue in their bulletins, calling for on-the-spot actions. For example, they have stressed the need for a "forced withdrawal from the elephant cage (the Sobe facility)."

The OPPH stated that it intends to handle the case from the viewpoint of maintaining public peace and order while closely watching moves by extremist organizations, regardless of the results of the proxy signing court case and procedures for forced land lease for U.S. military use.

Katagiri said: "Although we will comprehensively decide on the scale and ways to guard it from now on, a full-fledged guard will probably be necessary."

Japan: Ex-SDP Members Form Party, Urge Scrapping U.S. Bases

OW0303113096 Tokyo KYODO in English 1112 GMT 3 Mar 96

[FBIS Transcribed Text] Tokyo, March 3 KYODO — A group of left-wingers who left the Social Democratic Party (SDP) inaugurated a new socialist party Sunday [3 March], emphasizing their commitment to protecting the postwar constitution and other peace-oriented causes.

The former SDP members and supporters elected Osamu Yatabe, a member of the House of Councillors, as chairman of the new party.

Tatsukuni Komori and Hiromi Okazaki, both House of Representatives members, were named vice chairman and vice chairwoman, respectively, while Tetsuo Yamaguchi, also an upper house member, became secretary general.

At the party's inaugural meeting in Tokyo, the New Socialist Party members confirmed their opposition to the government-proposed spending of 685 billion yen in taxpayers' money for the "jusen" disposal program and to a hike in the consumption tax from the current 3 percent to 5 percent in April 1997.

They also called anew for a reduction and eventual elimination of U.S. bases in Okinawa prefecture and scrapping the new lower house electoral system combining 300 single-seat constituencies with 200 seats via proportional representation.

Japan: Official Explains MOFA Position on USFJ Air Control

OW0403091196 Naha RYUKYU SHIMPO in Japanese 2 Mar 96 Morning Edition p 1

[FBIS Translated Text] Tokyo — At a session of the seventh subcommittee of the House of Representatives Committee on the Budget held on 1 March, Foreign National Security Affairs Division Chief Kazuyoshi Umemoto of the Foreign Ministry [MOFA] answered a question on the U.S. military air area — called alpha area — off the northeast coast of the main island of Okinawa. He said "the area was set up not just for conducting exercise for air combat maneuvering instrumentation (ACMI);" thereby indicating his view that it is reasonable for the U.S. Forces Japan [USFJ] to conduct normal air-to-air exercises in the area. The Foreign Ministry official made the remarks in response to a question by Mr. Saneyoshi Furugen (of the Japan Communist Party).

The air area was established in 1984 at the request of the U.S. military for the ACMI exercise. Some ACMI sea buoys, however, were removed as of January last year, and the U.S. Forces discontinued the ACMI exercise last March. Meanwhile, Japan and the United States agreed last year to remove the alpha area, which was created along with the establishment of the air area.

During the session Mr. Furugen raised the issue: "Given the cancellation of the ACMI exercise, aviation authorities should call on the U.S. side to remove the controlled air area." In response, Transport Minister Yoshiyuki Kamei said: "We will coordinate with the U.S. side if that area is not used, and we will take appropriate action."

On the other hand, regarding a question about the so-called Kadena RAPCON [radar approach control] operated by the U.S. military to control Naha Airport traffic, Transport Minister Kamei stressed that "in subcommittee sessions on private sector aviation under the Japan-U.S. Joint Committee we have requested the return of the air traffic control right." Kamei added that "we will continue to make that request," thus showing his intention to call for returning the right to Japan.

On the same question, MOFA Division Chief Umemoto said that the ministry, bearing in mind that this problem already was listed in an Okinawa Prefectural Government proposal for the review of the Japan-U.S. Status of Forces Agreement, will study whether it also should include it on the agenda of the Japan-U.S. Special Action Committee for Okinawa.

Japan: Okinawa Government Lodges Protest Against Futenma Exercise

OW0403040296 Naha RYUKYU SHIMPO in Japanese 2 Mar 96 Morning Edition p 2

[FBIS Translated Text] On 28 February, the U.S. Marine Corps [USMC] on Okinawa held a helicopter special patrol insertion and extraction [SPIE] training exercise at Marine Corps Air Station Futenma in Ginowan City. Regarding this, the prefectural government lodged a protest with the U.S. Consulate General in Okinawa and the Naha Defense Facilities Administration Agency [DFAA], saying "it was inconsiderate of the USMC to have training at a base adjacent to the residential areas."

The USMC Public Relations Department admitted the fact that the training was given to about 40 military cadets from the Defense Academy, who visited the base on an inspection tour, on the assumption of delivering soldiers to places where it is impossible to land a helicopter. The USMC said that the training was held "at the facility."

On the afternoon of the same day, Kanko Teruya, associate director of the governor's executive office, filed a protest with John O. Maher, vice consul of the consulate general, saying: "MCAS Futenma is in the middle of densely populated urban areas and discussions are being held over its return. The Defense Academy might have said that they wanted to see the (SPIE) training, but was it not inconsiderate of the USMC to arrange training for them at Futenma? The problem is that neither party [the USMC and the Defense Academy] took notice of the feelings of the prefectural people." Reportedly, Vice Consul Maher said: "I can understand the sense of coercion the prefectural people feel. I will inform the consul of your view."

On the same day, the prefectural government also filed a complaint with the DFAA. After grasping the facts again, the government will file a complaint with the Self-Defense Force's Naha base as early as next week.

Japan: Yamaguchi Prefecture Opposes Relocation of MCAS Futenma

OW0403031096 Naha OKINAWA TIMES in Japanese 2 Mar 96 Morning Edition p 2

[FBIS Translated Text] The government is now studying the possibility of relocating the U.S. forces' Marine Corps Air Station [MCAS] Futenma on Okinawa to the U.S. Marine Corps Iwakuni air base in Iwakuni city, Yamaguchi prefecture. Regarding this report, Vice Yamaguchi Governor Mitsuru Muraoka and Iwakuni Mayor Yoshimitsu Kifune visited the Defense Facilities Administration Agency [DFAA] on 1 March. They delivered a statement to the agency's director general that said, "Enhancement of Iwakuni base will never be accepted."

The statement goes on to say, "The local residents have serious misgivings about the relocation."

According to Yamaguchi Prefecture, the DFAA's reply was, "We have no such plan at the moment."

Japan: Family To Sue U.S. Serviceman, Military Over Fatal Accident

OW0403094696 Naha OKINAWA TIMES in Japanese 4 Mar 96 Morning Edition p 23

[FBIS Translated Text] The family members of a prep school student (19 years old at the time) from Hyogo Prefecture who was fatally hit by a car driven by a U.S. serviceman (23 years old) in Kitanakagusuku

Village last month have decided to sue the serviceman for compensation. Victims of traffic accidents caused by U.S. servicemen while off duty have often been forced "to let the matter drop," not even being able to take their cases to court because, among other reasons, the servicemen are usually unable to pay sufficient compensation. The student's family also plans to press charges against the U.S. military in light of its responsibility as the serviceman's employer. It is expected that this case will raise the issue of how public compensatory measures ought to be applied in cases where incidents and accidents involve U.S. servicemen.

Daisuke Ebihara (43 years old), a high school teacher who lives in West Midorigaoka-cho in Miki City, Hyogo Prefecture, and the father of Teppei, the student killed in the accident, will file the lawsuit.

The accident occurred on 22 February on national highway 330 in front of the U.S. Marine Corps [USMC] Headquarters in Adaniya, Kitanakagusuku Village. According to the Ginowan Police's investigation, a car driven by a lance corporal [jotohei] stationed at Camp Foster veered into the oncoming lane and crashed into a 50-cc moped driven by Teppei. Negligence on the part of the serviceman is believed to be the cause of the accident.

After the accident, the father was greatly shocked by how the U.S. military handled the situation. He angrily said: "The military's legal adviser asked me over the telephone: 'Please do not hire a lawyer because it will become expensive.' It was so business-like and I did not sense any sincerity at all." It is reported that although the serviceman and his supervisor made apologies, they did not even send a condolatory telegram to the student's funeral in Miki City.

The student, who was interested in Okinawan arts and culture, had been attending a prep school in Okinawa and was hoping to get accepted to Okinawa Kokusai University. The fatal accident occurred right after he completed entrance examinations. A week after the fateful day, a letter was delivered to his mailbox notifying him of his acceptance at the university.

The student's father has said: "I had no idea how terribly the U.S. military treats you. The Status of Forces Agreement is haphazard. For the sake of others in the future, I intend to put up a fight under Japanese law."

Japan: Ikeda, German Foreign Minister Discuss Russian Reform

OW0103134396 Tokyo KYODO in English
1205 GMT 1 Mar 96

[FBIS Transcribed Text] Bangkok, March 1 KYODO — Japanese Foreign Minister Yukihiko Ikeda and his German counterpart Klaus Kinkel reaffirmed Friday [1 March] the need to support Russia's efforts to revamp its economic system.

During a 30-minute meeting, they also agreed that Asia and Europe need to cooperate in reconstructing the Former Yugoslavia and stabilizing the Korean peninsula, Japanese officials said.

Ikeda and Kinkel agreed to revitalize Japan-Germany relations, which they said are traditionally sound, the officials said.

They met during the inaugural Asia-Europe Meeting, which opened here Friday. The two-day summit brought 26 leaders of Asia and Europe together for discussions.

Japan: 'Sources' Say Ikeda Likely To Visit Moscow Late Mar

OW0303085996 Tokyo KYODO in English
0707 GMT 3 Mar 96

[FBIS Transcribed Text] Tokyo, March 3 KYODO — - Foreign Minister Yukihiko Ikeda is likely to visit Moscow late this month to hold talks with Russian Foreign Minister Yevgeniy Primakov aimed at laying the groundwork for the bilateral summit meeting in April, ministry sources said Sunday [3 March].

It will be the first bilateral foreign ministerial meeting since Primakov assumed the ministerial post in January, replacing Andrey Kozyrev.

Prime Minister Ryutaro Hashimoto will hold talks with Russian President Boris Yeltsin in Moscow during the April 19-20 summit of seven major economic powers plus Russia on nuclear power safety.

In an attempt to break the deadlock with Russia in the dispute over four Russian-held islands off northern Japan, Ikeda will press Primakov to reaffirm the 1993 "Tokyo Declaration," which calls for an early solution to the territorial row based on "principles of law and justice," the sources said.

Yeltsin said at his 1993 meeting in Tokyo with then Prime Minister Morihiro Hosokawa that Russia would withdraw its troops from the disputed islands with the exception of border guards.

The dispute over sovereignty of the four islands — Shikotan, Kunashiri, Etorofu islands and the Habomai group of islets, all east of Japan's northernmost main island of Hokkaido — has been the principal stumbling block to the signing of a bilateral peace treaty.

Japan has long demanded the return of the islands, which were captured by Soviet troops at the end of World War II.

Ikeda is expected to express support for Russian efforts under Yeltsin's leadership to create a market-oriented economy.

As a confidence-building measure, the two ministers will also hold the first meeting of a Japan-Russia Governmental Committee on Trade and Economic Issues, the sources said.

Japan: Business Leaders Expected To Meet Russian Counterparts

OW0103142896 Tokyo KYODO in English
0827 GMT 1 Mar 96

[FBIS Transcribed Text] Tokyo, March 1 KYODO — Business leaders from Japan and Russia will meet in Tokyo on March 27-29 to discuss bilateral economic issues, the Federation of Economic Organizations (Keidanren) said Friday [1 March].

It will be the second such meeting, co-sponsored by Keidanren's Japan-Russia Business Cooperation Committee and its Russian counterpart, ollowing one in June 1993 in Moscow.

For the Japanese side, Jiro Kawake, chairman of the committee and senior adviser to New Oji Paper Co., and some 100 other business leaders will take part in the meeting, Keidanren said.

The Russian delegation, headed by Arkadiy Voljskiy, chairman of the Russia-Japan Business Cooperation Committee, will total about 70 people, including some government officials, it said.

The two sides will discuss Japanese investment in Russia and economic development in the Russian Far East, it said.

Japan: Hashimoto Praises France's Nuclear Disarmament Efforts

OW0203092596 Tokyo KYODO in English
0911 GMT 2 Mar 96

[FBIS Transcribed Text] Bangkok, March 2 KYODO — Japanese Prime Minister Ryutaro Hashimoto said Saturday [2 March] he welcomes France's efforts to achieve global nuclear disarmament.

In a meeting with French President Jacques Chirac after a summit of Asian and European leaders in Bangkok, Hashimoto said that France's series of nuclear weapons tests from last September until January had marred bilateral relations, a Japanese official said.

But he said that Tokyo rates highly Paris' efforts to promote nuclear disarmament, as evidenced by France's attitude toward negotiations to sign the proposed Comprehensive Test Ban Treaty (CTBT), which is aimed at halting all nuclear tests, the official said.

In reply, Chirac briefed Hashimoto on France's moves to help conclude the CTBT, expected to be signed later this year.

Hashimoto and Chirac also reaffirmed that the French President will pay a state visit to Japan sometime this year. Tokyo extended an invitation to Chirac last June.

The two leaders also agreed to cooperate in the run-up to this year's summit of the group of seven major economic powers, scheduled for June in Lyons, France, and in supporting Russia's reform efforts.

Japan: Ikeda, Danish Counterpart Meet, Discuss UN Reform

OW0203161396 Tokyo KYODO in English
1447 GMT 2 Mar 96

[FBIS Transcribed Text] Bangkok, March 2 KYODO — Japanese Foreign Minister Yukihiko Ikeda said Saturday [2 March] that Tokyo wants to continue high-level dialogue with Denmark to exchange views on various international issues.

He made the remark in a meeting with Danish Foreign Minister Niels Helveg Petersen, Japanese officials said.

Ikeda spoke of the need to reform the United Nations, but Petersen replied it is a difficult issue to solve, the officials said.

Japan: Ikeda Praises Sweden's Peacekeeping Role

OW0203161196 Tokyo KYODO in English
1456 GMT 2 Mar 96

[FBIS Transcribed Text] Bangkok, March 2 KYODO —- Japanese Foreign Minister Yukihiko Ikeda on Saturday [2 March] praised Sweden for its traditionally prominent role in U.N. peacekeeping activities worldwide.

Ikeda offered the praise when he met his Swedish Counterpart Lena Hjelm-Wallen, Japanese officials said.

Hjelm-Wallen asked Tokyo to send high-level officials to Sweden for talks, and Ikeda replied he will consider visiting himself, the officials said.

Japan: Ikeda, Finnish Minister Agree ASEM Beneficial

OW0103115496 Tokyo KYODO in English
1119 GMT 1 Mar 96

[FBIS Transcribed Text] Bangkok, March 1 KYODO — Japanese Foreign Minister Yukihiko Ikeda and his Finn counterpart Tarja Halonen agreed Friday [1 March] that the first-ever summit of Asian and European leaders is conducive to deepening understanding between the two regions, a Japanese official said.

During their 20-minute talk on the sidelines of the inaugural Asia-Europe Meeting (ASEM), which opened in Bangkok earlier Friday, Halonen welcomed the two-day summit as a key opportunity to compare notes on issues of common concern, the official said.

She also spoke of the need to ensure ASEM proceedings will continue in the future.

Ikeda noted that Asia and Europe, whose relationship has been rather tenuous compared with that of Asia and the United States or of Europe and the U.S., should strive further to see eye to eye on a host of issues.

The principal objective of ASEM is to bridge the so-called "missing link" between two of the three main centers of economic growth — Asia, Europe and the U.S. Britain is expected to play host to the second summit in 1998, which may be followed by one in South Korea in 2000.

Turning to other matters, Ikeda requested Finnish support for Japan's bid for a permanent seat on the UN Security Council. Halonen did not reply directly, but noted that the stringent UN budget situation threatened the world body's peacekeeping functions.

During the meeting Ikeda also extended an invitation for Finnish President Martti Ahtisaari to visit Japan.

Japan: Ikeda Discusses East Timor With Portuguese Minister

OW0203161296 Tokyo KYODO in English
1508 GMT 2 Mar 96

[FBIS Transcribed Text] Bangkok, March 2 KYODO — Portugese Foreign Minister Jaime Gama [name as received] on Saturday [2 March] sought Japan's help in resolving a dispute between Portugal and Indonesia over the rights of the East Timorese people.

Gama made the pitch in a meeting with his Japanese counterpart Yukihiko Ikeda, Japanese officials said.

Ikeda replied Tokyo hopes the row will be resolved in a peaceful manner, the officials said.

Indonesia invaded East Timor in 1975 and annexed it the following year, calling it its 27th province. The annexation, however, is not recognized by the United Nations.

Japan: ASEM Marks Hashimoto's Multilateral Diplomatic Debut

OW0103055596 Tokyo KYODO in English
0418 GMT 1 Mar 96

[By Takehiko Kajita]

[FBIS Transcribed Text] Bangkok, March 1 KYODO — For Japanese Prime Minister Ryutaro Hashimoto, who shot to power in mid-January, the first-ever summit of Asian and European leaders this week marks his debut on the multilateral diplomatic scene.

For Japan, too, the inaugural Asia-Europe Meeting (ASEM) set for Friday [1 March] and Saturday provides a good opportunity for Japan to redefine its role in international society as the main objective of the gathering is to reinforce the weak leg of a tripolar world consisting of Asia, Europe and the United States.

Tokyo has long viewed itself as a sort of "bridge" between developing countries in Asia and Western industrialized nations. As an example, Japan has tried to play a representative role for Asia at annual summits of the group of seven major industrialized powers.

"What is Japan's role in helping deepen mutual understanding on an equal basis between Asia and Europe?" questioned an official at Japan's Ministry of International Trade and Industry (MITI), who asked to remain anonymous.

"I guess it should be like a catalyzer with a deep understanding of and shared experience with Asia, which enables US to oversee the whole situation," the official noted.

Hashimoto, seen in other parts of Asia as an abrasive nationalist who is reluctant to acknowledge Japan's responsibility for its wrongs up to and during World War II, has maintained a rather low profile so as to avoid any friction since assuming office, succeeding socialist and pacifist-minded Tomiichi Murayama.

Embroiled in a harsh political battle with the opposition camp over a deeply unpopular plan to bail out troubled mortgage companies with 685 billion yen in taxpayer's money, Hashimoto appears to have so far failed to exert as strong a leadership as initially hoped for.

Against this background, he hopes to seize this occasion — just like his meeting with U.S. President Bill Clinton in California last week — to reinforce his presence internationally and tip the scale in his favor domestically in an effort to flex his political muscle as much as possible.

At the ASEM gathering, however, the chances of his playing a prominent role will be slim as this is a multilateral gathering, the idea of which was floated in fall 1994 by Singaporean Prime Minister Goh Chok Tong and the proceedings of which have since been enhanced by the seven-member Association of Southeast Asian Nations (ASEAN) and the 15-member European union.

"It is dangerous for Japan to stand out too much," said another MITI official familiar with preparatory work for the ASEM summit.

A high-ranking official of the Japanese Foreign Ministry echoed the view, saying, "I am afraid we could always be blamed as being way too haughty if we dare try to play a leading role."

Japan's modest attitude may stem from the lineup of Asian countries participating in ASEM, which theoretically constitute the unborn Malaysia-inspired, ASEAN-endorsed East Asia Economic Caucus (EAEC).

The proposed consultative body has not gotten off the ground chiefly due to bitter U.S. opposition and Tokyo's unwillingness to antagonize Washington.

Earlier this month, foreign and economic ministers of the 10 Asian nations held separate talks in preparation for the ASEM summit in a move that fanned speculation EAEC has finally been launched.

Further, the top leaders of the 10 countries got together Thursday evening, albeit as a get-acquainted session on the Asian side in advance of the ASEM gathering.

"This is not EAEC. Then, what is this? Our answer is this is nothing but a meeting in preparation for the ASEM summit," said a Japanese Foreign Ministry official, who declined to be identified.

In addition to the multilateral ASEM talks, Hashimoto will face a tough test of his diplomatic skill in a spate of bilateral meetings with top leaders of Asian and European countries.

The highlight will be his meeting with South Korean President Kim Yong-sam on Saturday because it comes at a time when Tokyo and Seoul are at loggerheads over the territorial ownership of a group of small islands in the Sea of Japan.

"Japan's stance on the territorial dispute is evident. But it is no good if we cannot discuss other important issues simply because of that problem alone," Hashimoto told reporters aboard an airplane on his way to Bangkok earlier Thursday.

Japan: Hashimoto, Major Agree To Add More ASEM Members

OW0203044896 Tokyo KYODO in English 0424 GMT 2 Mar 96

[FBIS Transcribed Text] Bangkok, March 2 KYODO — Japanese prime Minister Ryutaro Hashimoto and his British counterpart John Major agreed Saturday [2 March] that the Asia-Europe Meeting (ASEM) should include India, Pakistan, Australia and New Zealand as future members.

The two leaders reached the accord on the question of ASEM membership in a bilateral meeting on the sidelines of the first-ever ASEM summit here, Japanese officials said.

This time around, ASEM brought leaders from 10 Asian countries, 15 members of the European Union (EU) and the EU's executive arm European Commission.

Britain is expected to host the second ASEM summit in London in the first half of 1998.

On the future of Hong Kong, which is scheduled to revert to China next year, Hashimoto maintained that Japan attaches importance to Beijing's policy of "one country, two systems," the officials said.

Japan: Hashimoto's Opening Remarks at Bangkok News Conference

OW0203123796 Tokyo NHK General Television Network in Japanese 0900 GMT 2 Mar 96

[News conference by Prime Minister Ryutaro Hashimoto to Japanese and foreign reporters held in Bangkok — live]

[FBIS Translated Text] I have attended this first meeting of the Asia-Europe Meeting [ASEM] from the unofficial meeting — a dinner party of top leaders held on 29 February — up to the present. Today, the chairman's statement, which expresses our common understanding, has already been issued, and I think the chairman has already given you a briefing.

In my opinion, the most important point of this meeting lies in the fact that all the top leaders from both Asia and Europe have gotten together to discuss various future-oriented issues based on an equal footing. As for my own role, I have focussed my efforts, as a member of the Asian nations, on ensuring the smooth progress of the meeting so that this objective could be attained. In this sense, I believe that the ASEM was a historic meeting at which very constructive dialogue was exchanged.

The ASEM's first objective lies in furthering mutual understanding as well as mutual interests of both Asia and Europe. The second is to contribute to establishing an international framework following the end of the Cold War through dialogue and cooperation. In this connection, it is most appropriate for the ASEM to adopt a very comprehensive approach for holding extensive discussions on political, security, economic, cultural, global, and other issues.

Moreover, I have kept another matter in my mind. That is, this ASEM, which was started through the initiative of ASEAN, should be further promoted in the future to maintain its continuity. From this standpoint, I have made a few concrete proposals.

First of all, I stressed the need to promote extensive policy dialogues between Asia and Europe. For instance, there are issues concerning the former Yugoslavia and the framework concerning North Korea's nuclear development. In handling these issues, it is very important that cooperation be promoted between Asia and Europe. Also, efforts should be made to reform the United Nations. Moreover, there are issues such as nuclear disarmament and non- proliferation of nuclear arms, as well as global issues such as drug and environmental problems. In particular, in connection with the drug problem, I made a proposal for strengthening cooperation among customs authorities through promotion of further dialogues.

All things taken together, the next major issue concerns economic relations. The principal theme lies in strengthening exchanges between Asia and Europe, as well as maintaining and strengthening the multilateral free trading system under the WTO.

In this regard, and as host nation of the APEC meeting held last year, I introduced measures to be taken by the APEC member nations to promote the smooth progress of trade liberalization and noted that results of the liberalization will be extended to nations located outside the region on a most-favored-nation basis. It goes without saying that the results will also be extended to EU member nations.

What has been noteworthy in various regions are moves toward regionalism. While pointing out that it is important in this case to ensure conformity with the WTO and to facilitate interests of the international community as a whole, I stated my expectations that European nations will take concrete actions and make serious efforts to promote open regional cooperation.

Moreover, in the discussion of plans to strengthen exchanges, I proposed on behalf of Japan that research should be conducted on economic prospects and infrastructure improvement. I pointed out that, from our experience in promoting APEC cooperation, we have learned that the private sector plays a very important role and that conferences should be held in the private sector. I also made a proposal for holding a conference of economic ministers in Japan in 1997, and my proposal has been accepted.

Another important matter concerns promoting intellectual exchanges. One of the plans that we have suggested is to establish a network of think tanks that is capable of maintaining flexible contacts. Youth exchanges should be promoted in the same form as a mini-Davos Conference. Moreover, we also made a proposal for strengthening cultural exchanges through universities or research institutes. The second ASEM meeting is scheduled for London in 1998 and the third for the ROK in 2000. In cooperation with other participating nations, we intend to bring these proposals to fruition.

Once again, I would like to inform you that this ASEM meeting has provided a very precious chance for the 26 top leaders from Asia and Europe to promote exchanges. I think that all of us have been able to further promote friendship with each other and also promote friendship with new members.

Thus, I was able to hold summit talks consecutively with Prime Minister Banhan of Thailand and Chinese Premier Li Peng yesterday. Today, I have held talks with Prime Minister Major of the United Kingdom, Chancellor Kohl of Germany, and President Chirac of France. Each of these summit talks has its own characteristics. Basically, we have affirmed that efforts should be made to strengthen Japan's ties with those countries, and to take concerted actions to resolve international issues. As a freshman among the top leaders, I have tried to build up a relationship of trust among the top leaders. I feel that the meeting has been of great significance.

Following this news conference, I am scheduled to hold Japan-ROK summit talks with ROK President Kim Yong-sam. At this meeting, I intend to stress such basic values as liberalism, democracy, and market economy. Moreover, I would like to strengthen as much as possible our friendly relations with the ROK, with which we share common interests in security and other fields. From this standpoint, I would like a frank exchange of views on various issues that are pending between our two countries, thereby confirming the importance of further developing Japan-ROK relations. That is all I have to say for now.

Japan: Further on Hashimoto's News Conference

OW0203135796 Tokyo NHK General Television Network in Japanese 0908 GMT 2 March 96

[Question-and-answer portion of news conference by Prime Minister Ryutaro Hashimoto with Japanese and foreign correspondents in Bangkok — live, simultaneous Japanese translations provided for questions from foreign correspondents]

[FBIS Translated Text] [Unidentified official] We will start the question-and-answer session now. First, I would like to give a chance to ask the first question to the dean of the Japanese reporters who accompanied Prime Minister Hashimoto. Please walk to the microphone and ask your question after telling us your name and the organization you belong to.

[Reporter] I am Kawaguchi of TOKYO SHIMBUN and CHUNICHI SHIMBUN. On behalf of the deans of the press corps, I would like to ask you one question. At your Diet keynote speech at the beginning of this year, you said that self-reliance was your fundamental diplomatic policy. In other words, you called for an independent diplomacy. Moreover, I know that you have long been saying that the Asian- Pacific region should be a pivotal part of Japan's diplomacy. Under these circumstances, the Asia-Europe Meeting [ASEM] was held in Thailand. What stance is Japan planning to assume in dealing with the ASEM? Can you clearly explain Japan's stance?

[Hashimoto] Needless to say, one very important diplomatic relationship is the Japan-U.S. relationship. I was in charge of the auto negotiations with the United States last year. There was a time when both countries launched a battle of public relations by explaining their demands to other countries as our discussions were making no progress. At that time, all European and Asian countries supported Japan over the issue of the 301 clause. At the same time, they were seriously concerned about our relations with the United States, saying that we should not ruin our relationship. In other words, we are not the only people who think that the Japan-U.S. relationship is important. We learned that a stable Japan-U.S. relationship in the Asia-Pacific region is linked to political stability in Asia too. In the past, some people often criticized us, saying that Japan was apart from Asia and that Japan, although it said that it was a member of Asia, did not consider Asia a pivotal part of its policy.

However, I believe that we were able to completely clear up this misunderstanding, thanks to the Osaka Conference of Asia-Pacific Economic Cooperation [APEC]. At last year's APEC, Japan, as the host nation, held up a slogan of cooperative and independent action. In the beginning, some counties, including the United States, were saying that we could not promote smooth trade liberalization if each country made their own plans.

However, we said that the most ideal way was to keep our promises rather than being forced by others to do something. We managed to persuade other countries and, in the end, worked out an action program. At that very moment, I believe that APEC moved from the stage of discussion or planning to that of action. This reflects the fact that Japan is promoting independent diplomacy [jiritsuteki gaiko]. As a host nation at the Osaka APEC, Japan fulfilled its role in an Asian manner. I think that the Osaka APEC was a very precious experience that demonstrated that Japan considers Asia a pivotal part of its diplomacy.

[Unidentified official] Next question, please? How about a reporter from the Thai press?

[Reporter] I am from the FINANCIAL NEWS. You said that you are going to meet South Korean President Kim Yong-sam this evening. I believe that the issue of security on the Korean Peninsula will be brought up for discussion. What kind of proposal are you planning to make on this issue?

[Hashimoto] You have asked about a very sensitive question. Probably, we will discuss the DPRK issue. As you have already known, about a year and a half ago, the international community was concerned by the suspicion that the DPRK had continued developing nuclear arms. After that, thanks to U.S. efforts, the United States and the DPRK have agreed that North Korea should scrap its existing nuclear reactors in exchange for light- water nuclear reactors to be provided by the ROK, the United States, and Japan. The accord also promises North Korea a supply of heavy oil as a substitute energy source until those nuclear reactors are built. Efforts are being made to fulfill those promises. At the same time, it has been reported through various channels that the DPRK has suffered from food shortages, and ways to help have been discussed from various angles. However, North Korea has not yet officially called on the United Nations for food assistance. With the aim of having North Korea participate in the international community as much as possible, as well as bringing about peace on the Korean Peninsula through inter-Korean dialogue, Japan needs to keep in close contact with the United States and the ROK in connection with the plan to supply light-water reactors. This is a topic that we will probably discuss at the meeting with the ROK.

The Korean Energy Development Organization [KEDO] has suffered from severe financial problems. In tiding over the crisis, Japan will provide $19 million in assistance. I believe that the ROK will greatly contribute to the solution by forwardloading the light-water reactor program. In his speeches given to European and Asian leaders at ASEM, ROK President Kim Yong-sam stressed twice the significance of the light-water reactor program. I would like to pay my utmost respect to him for presenting the problem in a very appropriate manner.

[Dean of the News Conference] Do reporters of other than Japanese and Thai press have any questions? Please.

[Reporter] I am from the AP DOW-JONES. During ASEM in Bangkok, was it proposed for participating nations to cooperate with each other in terms of the international currency market?

[Hashimoto] You have asked a very delicate question. This was our first opportunity to exchange views on an equal footing. We were not familiar enough with each other to secretly talk about foreign exchange markets. If this issue is brought up for discussion in the future, it should be handled at a meeting of ministers in charge of monetary policy, rather than at a summit meeting. In view of ASEM's characteristics, I do not think this kind of concrete problems will be taken up for discussion at summit- level conferences in the future. Although, in this forum, we have talked about a plan to hold a finance ministerial meeting in the future, we have not yet reached a conclusion. We did not talk about that issue at the summit at all.

[Dean of the Press Corps] Next question please.

[Reporter] I am Nemoto of the ASAHI SHIMBUN. Regarding the territorial issue, I think that the gap in views over the Senkaku Islands were observed again between Japan and China at the bilateral summit held yesterday. You said that working-level fishery talks will be held. How then do you handle the territorial issue that could become a seed of new conflict? Do you seek to obtain a fundamental solution to this issue at a certain point?

[Hashimoto] As you already know, Japan has been facing several territorial issues. The northern territorial issue is long-standing and is probably the biggest problem for Japanese people. In addition, as you said, we have been confronted with territorial disputes involving other regions. Japan's stance and demands regarding those problems are constant. In line with the ratification of the UN Convention on the Law of the Sea, Japan intends to set a 200-nautical mile exclusive economic zone [EEZ]. At the same time, we also need to reopen talks on fisheries in several areas in connection with the EEZ. However, I do not want to handle the fishery talks together with the territorial issue. It would not only create unnecessary collisions of sentiments but would also unnecessarily prolong the fishery talks. Again, our stance and demands regarding territorial issues are constant. I would like to completely separate the ratification of the UN Convention on the Law of the Sea, as well as the question of setting a 200-nautical EEZ, from the negotiations on the problem regarding the fact that several countries' EEZ will partially overlap with that of Japan.

[Unidentified official] Next question, please. How about the lady in the front?

[Reporter] I am from the THAI NATION. What is the difference between Japan's role in APEC and ASEM? And what do you think of the proposal made by the Thai prime minister for upgrading the economic relations of the ASEM to the level of the APEC? Do you agree with this proposal?

[Hashimoto] I am sure you have already noticed that there is a great difference between APEC and the ASEM when one is compared with the other. From the very beginning, APEC was conducted as a meeting at the level of cabinet members in charge of economic affairs. Some years ago, U.S. President Clinton made the first proposal for holding informal summit talks, and his proposal was put into effect. And then, Indonesian President Suharto sponsored the second informal summit talks, and we sponsored the third informal summit talks last year.

Strictly speaking, however, the APEC plenary session is co- chaired by cabinet members in charge of trade and foreign affairs of the host nation while the meeting at the summit level is strictly informal talks. At present, attention cannot but be focussed on leaders at the top level. However, the core meeting of APEC is strictly the plenary session, and top leaders will assess the conclusion worked out at the plenary session. I think this pattern will continue to exist.

In this sense, I feel that APEC takes on more of a working-level coloration. In particular, as I have just stated in my answers, we have already entered the age of actions. And I feel that, while promoting further cooperation, each of the participating member nations will make progress in contributing to regional interests, and these interests will also be extended to other countries.

On the other hand, the ASEM has been proposed from the outset as a forum for top leaders from Asia and Europe. It has been started with the summit talks as its core. Of course, various conferences such as those of foreign ministers, trade ministers, and finance ministers were held prior to the summit talks. However, the discussions among top leaders were not restricted by these conferences. However, I feel that it would be beneficial to us if we could retain and make the most of the different features of both the APEC and the ASEM.

Prime Minister Banhan of Thailand did an excellent job in his role as chairman of the meeting. Those bilateral issues that might have aroused confrontation between concerned nations have been skillfully avoided. I think he has also succeeded in building up a future-oriented cooperative relationship.

Among the measures for promoting such relations, there will be, for example, talks among customs officials at the director level on strengthening international efforts to control drugs. Of course, at these meetings, talks will also be held on such problems as the simplification of customs procedures. Or, as there is a trend of promoting liberalization and facilitation of trade investment in Asia — particularly within the sphere of APEC — it is expected that, while enjoying common benefits from this trend, the European nations will also open up their markets in the same fashion.

I am convinced that the seeds that Prime Minister Banhan has sown this time will certainly bear fruit. At the meeting he made a proposal that a Center for Environmental Technology be set up in Thailand to serve not only Thailand's interests but also the interests of neighboring countries; we have pledged to provide assistance to this program. His efforts will certainly lead to fostering such programs.

[Official] Are there any other questions?

[Reporter] My name is Matsumoto, and I am from NHK [Japan Broadcasting Corporation]. Perhaps, this has been brought up before — but it has been reported that you have stressed the importance of a free trade system. In concrete terms, what results do you think have been achieved at the current meeting? And what role do you expect the ASEM to play in maintaining a multilateral free trade system in the future?

[Hashimoto] I did not stake the future of the free trade system on the current meeting itself. As I have stated in the beginning, the most important objective lies in having all the top leaders of Asia and Europe gathered together in the same hall for the first time on equal footing. Above all, it was important for us all to hold the meeting, not in an uncongenial atmosphere, but in an atmosphere in which participants could leave the meeting saying that it was a nice meeting. That is what I had hoped for. However, I did not stake the future of the free trade system on this meeting.

However, in playing our role connected with the APEC, we have already made our efforts to promote facilitation and liberalization of investment in trade. As a result, for instance....[pauses] Well, how should I explain it?

As the host nation of the APEC forum last year, I am sure that Japan announced that reduction of tariffs imposed on a total of 694 items — I think — will be put into effect ahead of the original schedule. The decision on tariff reductions for those items was made mainly at the request of other APEC member nations. It goes without saying that European nations will also benefit from this decision, but the decision was not made at the request from European nations.

However, from the standpoint of all APEC nations, since each nation is making its own independent efforts, and since each EU member nation can enjoy the results of such efforts, it is only natural for APEC nations to hope that EU nations will also make the same efforts. Today is precisely the start of such efforts.

Each of us must make our own efforts within our own groups. Regionalism tends to become closed. However, rather than promoting such regionalism, efforts should be made to promote regionalism that is open. And with this determination, each of us will leave Bangkok.

Well, I am sorry. It should be 697 items. I made mistake in saying it was 694.

[Official] Due to limited time, your questions will be limited to two now. Please make your questions brief. Next question, please.

[Reporter] I am from the Bangkok Broadcasting Company. Have you anticipated the possibility of Japan taking part in the UN Security Council as a member?

[Hashimoto] Do you mean a permanent member? We have asked the United Nations to promote reforms in three areas. One concerns financial reform. Next is reform of the Economic and Social Committee, and then reform of the Security Council.

We are the only nation that has had the experience of being attacked by nuclear arms. In the meantime, most of the Security Council member nations possess nuclear arms. Under the Japanese Constitution, we have pledged that we will never possess nuclear arms and will never again invade other nations. We would like to seek assistance from other nations on the basis of their understanding of our position. And if we should become a member of the Security Council, we will be able to advocate with our utmost efforts abolition of nuclear arms since we are the first member nation that possesses no nuclear arms, and the only nation that has had the experience of being attacked by nuclear arms and has had numerous victims as a result of the attack. This is what we believe.

At home, our people have gradually come to understand this intention of ours. However, even if we ourselves should keep on saying that we want to be elected, we cannot be elected unless other countries say we are qualified. Fortunately, the international community has gradually come to see the need for reforming the Security Council, and there is a growing number of nations that agree that, in reforming the Security Council, Japan would qualify as a permanent member.

However, since no conclusion has been reached on such arguments as, for example, what should be done with other nations and how regional representation should be dealt with, the fact is that no progress has been made on the issue. As far as we are concerned, we could not afford to spend too much time on this issue, and we do not want only the issue of financial reform to be taken up first.

It should be noted that the United Nations is now in a serious financial situation. And it can be settled if only those nations that have failed to pay their share pay it. We feel that it is necessary to stabilize the finances.

[Official] We will take the last question. The person who is sitting in front of the reporter who just asked a question.

[Reporter] I am from CHUNG-KUO SHIH-PAO of Taiwan. Was the issue of the Taiwan Strait brought up for discussion at your meeting with Premier Li Peng? How did he answer on this issue?

[Hashimoto] It was not a good idea for us to talk about specific issues. However, I think that everybody is concerned about the fact that the situation has become tense across the Taiwan Strait. Needless to say, we are very much concerned about the tense situation. We strongly hope from the bottom of our hearts that both parties concerned will sincerely deal with the issue. I am not saying this to particular people. I am sure, however, the tense situation will not escalate further in the future if both parties deal with the strait issue coolly. Although it was not officially discussed at the ASEM, the Taiwan Strait issue was one of issues everybody was worried about and expressed concern about during the coffee breaks and on other occasions. I am hoping from the bottom of my heart that such concerns will be heard by both parties.

Needless to say, I expressed my concerns about the issue at the meeting with China.

[Unidentified official] Thank you very much. The time is now up. We will end Prime Minister Hashimoto's news conference now.

[Hashimoto] Thank you very much.

Japan: Hashimoto on 'Constructive' Meeting, Talks on Korea

OW0203112796 Tokyo KYODO in English 1047 GMT 2 Mar 96

[FBIS Transcribed Text] Bangkok, March 2 KYODO — Japanese Prime Minister Ryutaro Hashimoto said Saturday [2 March] he was pleased with the constructive nature of discussions at the first Euro-Asian summit conference that closed Saturday.

"It's an epoch-making meeting," Hashimoto said of the gathering of leaders from 26 countries in Asia and Europe. He said the leaders had engaged in discussions in a constructive manner and on an equal footing.

Speaking at post-summit news conference, he said the Asia-Europe Meeting (ASEM) helped deepen friendship among the leaders present.

It was the first summit between Asia and Europe.

Hashimoto expressed hope that the meetings will continue on a regular basis.

He said security on the Korean Peninsula will be the focus of discussions with South Korean President Kim Yong-sam later Saturday.

Both sides will reaffirm that they will keep in close contact with the United States in tackling problems concerning North Korea, including assistance for the country's atomic power generation project.

Japan: Hashimoto Returns Home After Asia-Europe Summit

OW0303094896 Tokyo KYODO in English 0922 GMT 3 Mar 96

[FBIS Transcribed Text] Tokyo, March 3 KYODO — Japanese Prime Minister Ryutaro Hashimoto returned home Sunday evening [3 March] after attending the first-ever summit of Asian and European leaders and holding a series of bilateral meetings in Bangkok.

In addition to attending the two-day Asia-Europe Meeting (ASEM) Friday and Saturday, Hashimoto conferred with Asian and European leaders on ways to deepen political and economic relations.

In separate talks with Chinese Premier Li Peng and South Korean President Kim Yong-sam, Hashimoto agreed on early talks over fishing operations while skirting territorial disputes with both Beijing and Seoul.

Japan: Hashimoto, China's Li Peng Begin Bilateral Summit

OW0103152496 Tokyo KYODO in English 1511 GMT 1 Mar 96

[FBIS Transcribed Text] Bangkok, March 1 KYODO — - Japanese Prime Minister Ryutaro Hashimoto and his Chinese counterpart Li Peng started a bilateral meeting Friday [1 March] in the midst of the first-ever summit of Asian and European leaders.

The meeting will likely underline the importance of relations between Japan and China irrespective of problems they have to resolve, a Japanese official said.

As part of efforts to ensure stability in the Asia-Pacific region, Hashimoto is expected to call for restraint in China's policy toward Taiwan amid the escalation of tensions between Beijing and Taipei. China views Taiwan as a renegade province.

The Japanese premier is also likely to urge China to immediately halt its nuclear weapons-testing program and seek cooperation in moving forward negotiations on the proposed comprehensive test ban treaty aimed at banning all nuclear experiments.

But China is expected to repeat its oft-stated contention that its nuclear testing is for self-defense and that Beijing has no intention to use its nuclear weapons for preemptive attacks.

Hashimoto, who took office in mid-January, is also apparently poised to voice his remorse for Japan's crimes up to and during world war II, including acts of aggression in China, just as his predecessor Tomiichi Murayama voiced remorse to Chinese leaders.

Shortly before the meeting got underway, a senior Japanese foreign ministry official said that Japan was "closely watching" developments between China and Taiwan, which Beijing considers as a renegade province.

"We are concerned," the official said. But he added that Japan did not think a military conflict was "imminent", reiterating recent statements by the Japanese foreign ministry over China's sabre-rattling towards Taiwan.

As far as the territorial dispute is concerned, the official said the Japanese and Chinese foreign ministers had already agreed during a meeting in Thailand last month that the issue was "sensitive" and should be handled "carefully" by the two countries.

Japan and China both claim sovereignty over a group of islands in the East China Sea, known as the [name indistinct] islands in Japanese and Diaoyutai in Chinese. Japan recently accused China of conducting what appeared to be oil drilling on the islands, which are located in rich fishing grounds.

The long-standing territorial dispute has been low key in comparison with the recent flare-up between Japan and South Korea over the ownership of a couple of remote islands in the Sea of Japan.

Relations between Tokyo and Seoul have sharply deteriorated as a result, with South Korea deciding to beef up its presence on the two disputed islands, known as Takeshima in Japanese and Tokdo in Korean.

Japan: Hashimoto, PRC's Li Peng Meet on Summit Sidelines

BK0103160796 Hong Kong AFP in English 1547 GMT 1 Mar 96

[FBIS Transcribed Text] Bangkok, March 1 (AFP) — Japan's Prime Minister Ryutaro Hashimoto met with Chinese Premier Li Peng here Friday, marking the first top-level contact between the two East Asian giants since Hashimoto assumed the premiership in January.

The late-night meeting on the sidelines of the Asia-Europe summit in Bangkok came amid recent tensions between China and Taiwan ahead of the presidential elections in the island republic later this month.

Hashimoto's talks with Li also came less than two weeks after Japan adopted a plan to declare a 200-mile exclusive economic zone in an area which includes islands also claimed by China and South Korea.

Japan: Hashimoto, PRC's Li Remain Apart on Taiwan, Nuclear Tests

OW0103164696 Tokyo KYODO in English 1623 GMT 1 Mar 96

[FBIS Transcribed Text] Bangkok, March 1 KYODO — Japanese Prime Minister Ryutaro Hashimoto and Chinese Premier Li Peng remained apart Friday [1 March] on policy toward Taiwan and China's nuclear testing, a Japanese official said.

In a 40-minute bilateral summit, Hashimoto voiced hope for peaceful solution to the issue of Taiwan, which China regards as a renegade province, the official said.

Li replied that Beijing's policy of seeking peaceful unification of Taiwan and maintaining communist and capitalist systems in one country remains unchanged.

The two men also discussed other issues of mutual concern such as the question of how to dispose of chemical weapons left behind by Japanese troops during World War II and fishing rights related to ratification of the U.N. Convention on the Law of the Sea, the official said.

Hashimoto also called on China to take the initiative in concluding and signing the proposed comprehensive test ban treaty aimed at halting all nuclear tests.

Hashimoto and Li reaffirmed the desire that the two countries maintain friendly relations in the future, the official said.

Japan: Ikeda, PRC Counterpart Agree To Begin Fishing Talks

OW0203091796 Tokyo KYODO in English 0714 GMT 2 Mar 96

[FBIS Transcribed Text] Bangkok, March 2 KYODO — Japanese Foreign Minister Yukihiko Ikeda and his Chinese counterpart Qian Qichen agreed Saturday [2 March] to commence bilateral negotiations on fishing rights as quickly as possible.

In a meeting with Qian on the sidelines of the first-ever Asia-Europe meeting here, Ikeda called on China to agree to open talks for a new fisheries pact between the two countries, a Japanese official said.

Qian replied he would like to kick off working-level negotiations at an early date, adding he believes the fishing rights issue will be resolved through dialogue even if there remain some differences between the two countries.

The question of concluding a new bilateral fisheries pact has surfaced since the two countries are poised to declare a 200-nautical mile exclusive economic zone later this year.

Ikeda also asked China not to repeat trial drilling for oil in the waters near the disputed Senkaku Islands in the East China sea. Beijing has acknowledged a Chinese ship conducted such drilling in early February.

The imposition of a 200-mile economic zone under the U.N. Convention on the Law of the Sea would encompass the uninhabited islands, known as Diaoyu in Chinese.

Qian made no particular comment on Ikeda's request, according to the official.

Turning to China's nuclear policy, Ikeda renewed Tokyo's call for an immediate halt to Beijing's nuclear weapons testing so that China can play a "constructive role" in international society.

Qian repeated China's stance that it is actively participating in international negotiations to conclude and sign this year the proposed comprehensive test ban treaty aimed at halting all nuclear tests.

He said Beijing has always exercised self-restraint in its nuclear testing.

The second meeting in a month between Japanese and Chinese foreign ministers followed Friday's summit between Japanese Prime Minister Ryutaro Hashimoto and Chinese Premier Li Peng.

The foreign ministers also exchanged opinions on the rising tensions between China and Taiwan, the future of Hong Kong and chemical weapons left behind in China by Japanese troops during World War II. All these issues were covered in the Hashimoto-Li summit.

Japan: Hashimoto, ROK President Meet; Discuss KEDO, Territory

OW0203145896 Tokyo KYODO in English 1433 GMT 2 Mar 96

[By Takehiko Kajita]

[FBIS Transcribed Text] Bangkok, March 2 KYODO — Japanese Prime Minister Ryutaro Hashimoto and South Korean President Kim Yong-sam agreed Saturday [2 March] to commence negotiations on fishing rights separately from the serious territorial dispute between their two countries.

In a bilateral meeting held after a two-day landmark summit of Asian and European leaders, Hashimoto noted Tokyo's claim to a group of islets in the Sea of Japan remains unchanged but reiterated that the quarrel should not poison overall Japan-South Korea ties, Japanese officials said.

The Japanese premier called on Kim to agree to start negotiations on some problems that would arise from both countries' imposition of a 200-nautical mile exclusive economic zone off their shores that would encompass the contested isles, the officials said.

While restating South Korea's claim to the islets, Kim agreed to start bilateral working-level talks on how to delineate the perimeter of their sea zones in isolation from the dispute.

Tokyo and Seoul have recently been at loggerheads over sovereignty of the tiny rocky outcropping, known in Japan as Takeshima and Tokto in South Korea, as both sides are prepared to declare a 200-mile zone in line with the U.N. Convention on the Law of the Sea.

"It is crystal clear that Tokto is our territory, historically and under international law," Kim was quoted as telling Hashimoto. "We cannot accept Japan's claim to the islets."

Aside from the isle row, Hashimoto and Kim reinforced the importance of overall bilateral relations between the two neighbors, the officials said.

Saying Japan and South Korea share such fundamental values as freedom, democracy and a market-economy system, Hashimoto voiced the hope Tokyo can forge a "future-oriented" relationship with Seoul based on repentance for its wrongs up to and during World War II.

In reply, Kim said Seoul attaches importance to its relations with Tokyo and mentioned the need to cement ties further.

In this context, the two men reaffirmed that Tokyo and Seoul will continue to explore specific ways to help promote private-sector studies on the history of relations between Japan and Korea.

Haunted by bitter memories of Japan's colonial dominion over the Korean peninsula, bilateral relations have been frail at best since the end of the war.

Hashimoto and Kim also exchanged views on their handling of North Korea — a potential security threat to east Asia, according to the Japanese officials.

Specifically, Hashimoto briefed Kim on Tokyo's recent decision to contribute 19 million dollars to help foot the bill for crude oil for the communist north under a 1994 nuclear accord reached between Pyongyang and Washington.

The Japanese money will be funneled to a special fund to be set up within the Korean Peninsula Energy Development Organization [KEDO], an international consortium formed to supply North Korea with two modern nuclear reactors in exchange for a freeze of Pyongyang's suspected nuclear program.

Kim responded that he welcomes the Japanese decision.

The two leaders also reconfirmed that Japan and South Korea will keep in close consultation with each other in trying to secure peace and stability on the Korean peninsula.

Kim, meanwhile, extended an invitation to Hashimoto to visit South Korea. Hashimoto replied he appreciates the invitation, the officials said without elaboration.

Japan's Hashimoto: KEDO Key to Stability of Korean Peninsula

OW0203053296 Tokyo KYODO in English 0454 GMT 2 Mar 96

[FBIS Transcribed Text] Bangkok, March 2 KYODO — Japanese Prime Minister Ryutaro Hashimoto told Germany on Saturday [2 March] that an international consortium to provide North Korea with two modern nuclear power reactors is key to the stability of the Korean Peninsula. Hashimoto made the remark on the Korean Peninsula Energy Development Organization (KEDO) in talks with German Chancellor Helmut Kohl as the inaugural Asia-Europe summit winds down, Japanese officials said.

The Japanese leader welcomed Germany's cooperation with the consortium and expressed hope Germany will remain engaged in KEDO's process.

Hashimoto and Kohl also spent a lot of time to reaffirm the importance of bilateral youth exchanges, according to the officials.

Japan: Ikeda Welcomes EU's Financial Contribution to KEDO

OW0203092696 Tokyo KYODO in English 0908 GMT 2 Mar 96

[FBIS Transcribed Text] Bangkok, March 2 KYODO — - Japanese Foreign Minister Yukihiko Ikeda on Saturday [2 March] welcomed a recent decision by the European Union (EU) to contribute about 6.3 million dollars to an international consortium set up to provide North Korea with two modern nuclear reactors.

In a meeting with Ikeda, EU Trade Commissioner Leon Brittan said the decision demonstrated the EU's strong interest in stability in East Asia, Japanese officials said.

The Korean Peninsula Energy Development Organization (KEDO), formed in March 1995, is responsible for providing North Korea with the two reactors in exchange for Pyongyang's freeze of its nuclear program, which was suspected of including development of nuclear weapons.

Later, Brittan conferred with Japan's International Trade and Industry Minister Shumpei Tsukahara to exchange views on Japan-EU economic issues.

Japan: DPRK Official on Efforts To Improve Bilateral Ties

OW0103131296 Tokyo MAINICHI SHIMBUN in Japanese 1 Mar 96 Morning Edition p 2

[FBIS Translated Text] On 29 February, Pang Tae-ok, secretary of the North Korean Committee for Cultural Relations with Foreign Countries, gave a lecture in Tokyo. Pang, 60, is currently visiting Japan at the invitation of a Japanese civil group for exchanges with the DPRK. Touching on the issue of resuming Japan-DPRK talks on normalizing diplomatic relations, he said: "The positive attitude (on the part of the Japanese Government) is seen as improving bilateral relations." In this way, Pang positively evaluated the Hashimoto government's efforts for resumption of the talks. However, concerning when the negotiations will be resumed, he only reiterated Pyongyang's official view, saying: "It depends on Japan's future attitude."

In answering a question as to whether or not Pyongyang has lately become reluctant to accept rice aid, Pang said: "We rejected assistance if it had political objectives (such as urging the resumption of North-South dialogue)." He stressed that North Korea was still in a tense situation because of food shortages.

The North Korean committee functions as a liaison office for exchanges between the DPRK and countries which have no diplomatic relations with the communist state. It receives Japanese groups, such as news and cultural organizations, when they visit the DPRK.

Japan: DPRK Fishermen Rescued, Sent Back to North

SK0403104696 Seoul YONHAP in English
1033 GMT 4 Mar 96

[FBIS Transcribed Text] Tokyo, March 4 (YONHAP) — The four North Korean fishermen who were rescued by the Japanese while adrift in a small fishing boat off the Fukui Prefecture, Japan, last month were sent back to North Korea Monday aboard a North Korean freighter.

The freighter, 2,700-ton Tulbong-ho, left the Tsuruga Harbor in the afternoon carrying the four and their boat.

Tulbong-ho brought rice thatch to Kagoshima and loaded used cars at Yokohama and Hakada before reaching Tsuruga Sunday night to fetch the fishermen.

Japan: North Korean Explains Food Situation, Rice Aid

OW0303132996 Tokyo SANKEI SHIMBUN
in Japanese 1 Mar 96 Morning Edition p 4

[FBIS Translated Text] Speaking at a Tokyo lecture on 29 February, visiting Councilor Pang Tae-ok of North Korean Committee for Cultural Relations with Foreign Countries explained the recent food situation in North Korea and how food aid by foreign nations — including Japan — is used.

As for the current situation in flood-stricken areas, Pang said: "It was a terrible disaster in which 1.9 million tons of grain drained out, incurring a loss of $15 billion. But now, we thank Japan for its food aid." Touching on a report that North Korea does not want further food aid, he strongly ruled out, saying "it is not true."

Moreover, with regard to a report that the North Korean military leadership is opposed to food aid by foreign nations and that rice provided under aid is distributed to the military, he made an across the board denial, saying: "The military has never rejected food aid, and rice has never been distributed the military. The report is a report circulated by western news organs."

Japan: ‘Sources’ Say ‘Jusen’ Borrower Suspected of Hiding Assets

OW0203100196 Tokyo KYODO in English
0942 GMT 2 Mar 96

[FBIS Transcribed Text] Osaka, March 2 KYODO — An Osaka-based real estate company heavily indebted to the nearly bankrupt "jusen" housing loan companies is suspected of transferring its assets to affiliated firms, informed sources said Saturday [2 March].

Sueno Kosan, one of the major borrowers from the jusen companies, has sold at least eight buildings and four land lots to five affiliated companies, the sources said.

The five are subsidiaries of Ryo Corp., set up by the 28-year-old son of Kenichi Sueno, president of Sueno Kosan, they said. An executive of Sueno Kosan said Sueno provided the capital for starting Ryo Corp. and its subsidiaries.

A lawyer in Osaka who has handled many bankruptcy cases said the selling off by the real estate company may be aimed at hiding its assets to prevent legal authorities from seizing them.

"Sueno Kosan is saddled with huge debts and it should pay back the debts to jusen and other creditors. It should not be allowed for the company to provide finance for the president's son," the lawyer said.

Sueno earlier testified in the Diet that his company had not sold any of its assets to affiliated companies.

The government plans to use at least 685 billion yen in taxpayers' money to help liquidate seven jusen companies, a scheme that has drawn fire from the public.

Japan: Ruling Parties on Extra ‘Jusen’ Resolution Measures

OW0203132696 Tokyo KYODO in English
1151 GMT 2 Mar 96

[FBIS Transcribed Text] Tokyo, March 2 KYODO — Representatives of the three ruling coalition parties met Saturday [2 March] to discuss additional measures to resolve the issue of the seven bankrupt housing loan companies, known as "jusen," party officials said.

The measures will be announced after the three parties meet following Prime Minister Ryutaro Hashimoto's return Sunday from the Asia-Europe summit in Bangkok, the officials said.

Hashimoto is president of the Liberal Democratic Party (LDP), the main force in the tripartite ruling coalition. The other parties are the Social Democratic Party and New Party Sakigake [Harbinger].

The officials said the proposed measures will be in addition to a government scheme to use 685 billion yen of tax money to dispose of bad loans held by the mortgage lenders.

The scheme has drawn strong criticism from the public and other quarters, including opposition parties and the business community.

The officials said the discussions at the tripartite session will focus on the establishment of a special organ with investigative powers to unravel the cause of the fiasco and supervise recovery of the bad loans.

The measures also will be designed to clarify who should take the blame for the failures and to revise the existing civil law to strengthen loan-recovery procedures, they said.

Restrictions on career bureaucrats finding new jobs at companies under their supervision will also be included, they said.

Party representatives in charge of parliamentary affairs have demanded that the government take steps to eventually recover the public funds to be used under the scheme, the officials said.

Japan: Coalition Parties Fail To Produce 'Jusen' Accord

OW0203161496 Tokyo KYODO in English
1418 GMT 2 Mar 96

[FBIS Transcribed Text] Tokyo, March 2 KYODO — Representatives of the three ruling coalition parties failed Saturday night [2 March] to put the finishing touches to additional steps to liquidate the seven bankrupt housing loan companies, known as "jusen," party officials said.

The officials said the representatives agreed to resume talks Sunday morning to come up with a package of new measures to deal with the jusen fiasco, which Prime Minister Ryutaro Hashimoto's government says threatens Japan's financial system.

During the Saturday night meeting, the coalition agreed to ask major banks, which founded the jusen, and farm-related financial institutions to shoulder more of the burdens for the jusen liquidation program.

The new measures would be finalized before Hashimoto returns Sunday from the Asia-Europe summit in Bangkok, the officials said.

Hashimoto is president of the Liberal Democratic Party (LDP), the main force in the tripartite coalition with the Social Democratic Party and New Party Sakigake [Harbinger].

The officials said the proposed measures will be in addition to a government scheme to use 685 billion yen of taxpayers' money to dispose of bad loans held by the mortgage lenders.

The scheme has drawn strong criticism from the public, opposition parties and some segments of the business community.

Under consideration is the creation of a special organ with investigative powers to unravel the cause of the fiasco and supervise recovery of the bad loans.

The measures also will be designed to clarify who should take the blame for the failures and to revise the existing civil law to strengthen loan-recovery procedures, they said.

Restrictions on career bureaucrats finding new jobs at companies under their supervision will also be included, they said.

Party representatives in charge of parliamentary affairs have demanded that the government take steps to eventually recover the public funds to be used under the scheme, the officials said.

Japan: Coalition, Keidanren Leaders To Discuss 'Jusen' Issue

OW0403042696 Tokyo KYODO in English
0355 GMT 4 Mar 96

[FBIS Transcribed Text] Tokyo, March 4 KYODO — The Federation of Economic Organizations (Keidanren) will discuss the "jusen" housing lender issue in response to calls to have the founding banks shoulder heavier burdens in dissolving the mortgage companies, Keidanren officials said Monday [4 March].

The business lobby will set up a special team to try to come up with a solution to the issue as early as possible, the officials said.

The move is in response to a request from the three-party ruling coalition for Keidanren's help in persuading the founding banks of the housing loan companies to shoulder more of the cost of a government-proposed liquidation plan.

Leaders of the Liberal Democratic Party (LDP), the Social Democratic Party (SDP) and New Party Sakigake [Harbinger] met with Keidanren officials at a hotel in Tokyo on Monday morning to ask for their cooperation in persuading the banks to yield on the issue.

By making the burdens of the founding banks heavier, the government hopes to gain public acceptance of the liquidation scheme and to smooth the way for the passage of the fiscal 1996 budget through the House of Representatives.

The budget includes a controversial provision to use 685 billion yen in taxpayers' money to dispose of bad loans held by the housing lenders.

Keidanren officials have opposed making the burdens for the banks heavier, saying measures to apportion a bigger share of the load to agricultural financial institutions should also be considered. The farm-related institutions are big creditors of the mortgage companies.

At the meeting, Shoichiro Toyoda, Keidanren's chairman, said that while banks should naturally take responsibility, they "should not be the only ones to shoulder big burdens."

The coalition party leaders and Keidanren officials agreed to work together and come up with a solution so that the budget can pass through the lower house.

Japan: Keidanren Asked To Raise Contribution to 'Jusen' Fund

OW0403103696 Tokyo KYODO in English 1009 GMT 4 Mar 96

[FBIS Transcribed Text] Tokyo, March 4 KYODO — The ruling coalition asked financial institutions Monday [4 March] to double their contributions to a government-proposed fund to resolve the issue of seven bankrupt housing loan companies or "jusen," political and business officials said.

The officials said the request was made by leaders of the three ruling parties in a meeting with three vice chairmen of the powerful Federation of Economic Organizations (Keidanren), including Keiichi Suematsu, chairman of Sakura Bank.

A government plan calls for private financial institutions to contribute up to 1 trillion yen to cover secondary losses expected to emerge in the process of recovery of bad loans left by the mortgage lenders after their planned liquidation.

The officials said the coalition leaders led by Taku Yamasaki, chairman of the Policy Research Council of the Liberal Democratic Party (LDP), asked for the contributions to be doubled to 2 trillion yen.

They said the Keidanren officials plan to meet with coalition leaders again later Monday to make clear their response to the request.

Under the government scheme, the fund, known as the financial system stabilization fund, will be invested for 15 years and its profit will be used to cover part of the secondary losses estimated to exceed 1.2 trillion yen.

The government plan calls for using 685 billion yen in taxpayers' money to cover the initial losses or those expected to emerge in the wake of the mortgage lenders' liquidation.

The plan has aroused public protest, and Monday's request is designed to allay some of the uproar, political sources said.

Earlier in the day, Koichi Kato, secretary general of the LDP, the biggest force in the three-party coalition, and leaders of the two ruling partners sought Keidanren's cooperation in persuading the jusen founding banks to shoulder more of the cost of the government scheme.

The two other ruling-coalition partners are the Social Democratic Party and New Party Sakigake.

Monday's developments preceded forthcoming action by the House of Representatives on the fiscal 1996 budget, which includes the use of the public money for the initial loss.

By making the burdens of the founding banks heavier, the government apparently hopes to gain public acceptance of the scheme and to smooth the way for the passage of the fiscal 1996 budget through the lower house.

The fiscal year begins April 1, and at least one month is required to complete parliamentary procedures for the budget legislation unless the House of Councillors takes quick action on it.

Japan: Defense Agency Setting Up Intelligence Agency

OW0403062496 Tokyo TOKYO SHIMBUN in Japanese 4 Mar 96 Morning Edition p 3

[Article by Shigeru Handa: "Will Japanese-Version of CIA Be Born? — the Defense Agency To Set Up Intelligence Headquarters"; from "Uppercurrent and Undercurrent" column; first paragraph is TOKYO SHIMBUN introduction]

[FBIS Translated Text] Will a large spying organization be born? Next fiscal year, the Defense Agency [DA] will establish an intelligence headquarters designed to collect and analyze information needed for maintaining Japan's security. The DA will set up the headquarters by consolidating and reorganizing existing information gathering organs set up in the agency's inner bureau and Ground, Maritime, and Air Self-Defense Forces [SDF], with the aim of improving the information gathering capability of the DA as a whole. Moreover, the agency has the idea of possessing a reconnaissance satellite. The following is a report showing the true picture of the intelligence headquarters, which is regarded as a "Japanese-version of the CIA."

According to the DA's plan, the intelligence headquarters will be placed under the Joint Staff Council and composed of six divisions: administration, planning, analysis, image-processing, radio wave processing, and radio wave analysis. The DA plans to let an SDF officer assume the position of chief of the headquarters and an internal bureau councilor or equivalent that of deputy chief. The total staff will be 1,650. It is obvious that it will be the biggest intelligence agency in Japan because the number of staff of the Cabinet Information Research Office is 120 and the Information Analysis, Research, and Planning Bureau of the Foreign Ministry is 60.

One of purposes for setting up the headquarters is to rationalize personnel by streamlining the existing information collection divisions in each SDF staff office. However, a more important purpose is to furnish the DA director general with strategic information after analyzing it as data for judgment. It seems that the DA aims to turn the headquarters into a "head agency for intelligence" needed for ensuring Japan's security.

It is worth noting that under the plan, the special intelligence office in the Second Intelligence Division of the Ground Staff Office — its existence used to be kept secret — will be abolished and absorbed into the headquarters.

The special intelligence office is an agency specializing in monitoring overseas transmisions. It has six communication sites in Japan with 1,300 personnel. Among them, big round antennas — radio wave monitoring equipment called the "Elephants' Cage" — in Higashichitose Station in Hokkaido and Miho Base in Tottori Prefecture are the source of collecting communications intelligence (COMINT) by monitoring radio communications from Russia, the Korean Peninsula, and China.

The Wakkanai communications site, which was spotlighted when it made public its monitoring of communications in connection with the Korean airliner bombing case, not only gathers COMINT but also electronic intelligence (ELINT). Agents of the U.S. Defense Intelligence Agency (DIA) visit the facility of the special intelligence office in the Ichigaya station everyday. But this has been kept secret, and in this sense, the special office is an organization with high confidentiality.

Since all staff members of the office will be transferred to the headquarters, they will account for 80 percent of the total headquarters personnel. To maintain civilian control, a "DA intelligence committee," with the administrative vice DA minister as chairman will be set up within the headquarters so that the headquarters, will be operated in the form of leadership by the DA Inner Bureau, the plan says. Probably a clear difference between the headquarters and the CIA is that the Japanese agency does not have spies who collect human intelligence (HUMINT).

It is observed that the "SDF's intelligence activity will change radially" with the inauguration of the intelligence headquarters. An information analysis expert says: "Those who use the information will be the DA chief or the Joint Staff Council chairman. So far, information, has been provided to the chiefs of staff of each SDF. It is matter of course that intelligence activities will change in line with a change of the purpose for using information." Meanwhile, there is a view that the DA will strengthen its position as an intelligence agency.

DA sources say that "among future planning, there is the idea of launching a reconnaissance satellite." At present, the DA buys satellite pictures from private companies. But it is disadvantageous because its target areas will be leaked when it designates areas for satellite pictures and because the prices of pictures are high. Although the DA can solve such a problem by possessing own satellite, it is likely that how the possession of a reconnaissance satellite conforms with "peaceful use of space" will be called into question.

The idea of setting up an intelligence headquarters came to the surface in the mid-1980's. But it did not take shape immediately. During the Cold-War era, what the DA wanted was information about weapons so that it could know who had which weapons. This is because it was essential for the DA, as a member of the Western nations, to show to the West the fact that based on such information, the SDF obtained weapons that could counter the arms possessed by the Soviet Union.

What gave impetus to the plan was the SDF'S participation in UN peacekeeping operations (PKO). In the face of the Rwandan refugees relief operations, the SDF was required to deal with the situation from an independent standpoint, including when to dispatch and withdraw SDF personnel. It can be said that the intelligence headquarters will be set up in the post-Cold-War period, in line with a shift from an era when information was merely information to one when information is directly reflected in operations.

The construction of two buildings for the intelligence headquarters is under way at the Ground SDF Station to which the DA building is to be relocated, with estimated completion in October. A senior DA official says: "We hope the functions of the headquarters will resemble as closely as possible those of the U.S. National Security Agency (NSA), which is said to have about 60,000 personnel..." One wonders if Japan will set up an information agency in the future, even after strengthening the power of the DA.

North Korea

DPRK Paper Warns U.S. Against 'Ignoring' Proposal

SK0203050396 Pyongyang KCNA in English 0422 GMT 2 Mar 96

["U.S. Should Answer Good Faith With Good Faith" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 2 (KCNA) — The DPRK's proposal for concluding a tentative agreement between the DPRK and the United States to prevent armed conflict and remove the danger of war from the Korean peninsula and maintain the armistice in a peaceful way is a constructive step to tide over the difficulties lying in the way of establishing a new peace mechanism, says NODONG SINMUN in a commentary today.

DPRK's proposal is a manifestation of peaceful efforts to provide a new security device on the Korean peninsula and maintain a durable security in northeast Asia to suit the present international circumstance in which the cold war has come to an end and detente and peace are a trend of the times, the news analyst notes, and says:

The DPRK and the United States are directly responsible for preventing the recurrence of war and ensuring peace on the Korean peninsula. This can never be done by any third country.

The DPRK's recent proposal accords with the interests not only of the United States but of all sides concerned. The United States should not avoid its responsibility any longer.

It is morality and usage of international life to answer magnanimity with magnanimity and good faith with good faith. The United States would be well advised not to approach the DPRK's recent proposal as it did in the past.

If the United States turns its back on the reality and continues ignoring our repeated just proposal, it will be held wholly responsible for all consequences arising therefrom.

DPRK Foreign Ministry Spokesman on Downing of Planes in Cuba

SK0303071296 Pyongyang KCNA in English 0656 GMT 3 Mar 96

[Statement by DPRK Foreign Ministry spokesman issued in Pyongyang on 3 March]

[FBIS Transcribed Text] Pyongyang, March 3 (KCNA) — The spokesman for the Foreign Ministry of the Democratic People's Republic of Korea issued a statement today in connection with the Feb. 24 shooting down of two planes of Cuban exiles by the self- defensive measure of the Cuban Air Force in the territorial airspace of Cuba.

The statement says:

As a matter of course, we regret that the downing of planes caused human losses.

However, we consider that a serious view must be taken of the deliberate provocation committed by the Cuban exiles' organisation in the U.S. against Cuba.

We maintain that infringement on the sovereignty of an independent state should never be allowed in any case and that proper measures to prevent it should be taken.

No one should use the incident fabricated by Cuban exiles as a pretext for sanctions and intensified economic blockade against Cuba. This will never help toward world peace and stability.

The incident must be investigated correctly and settled impartially. We hope such an incident will not occur again.

DPRK: Japan, U.S. Said 'Scheming' 'Reaction Posture'

SK0203101396 Pyongyang KCNA in English 0947 GMT 2 Mar 96

[FBIS Transcribed Text] Pyongyang, March 2 (KCNA) — Japan and the United States are undisguisedly scheming to complete "prompt reaction posture" against the Korean peninsula, according to a report.

Talks were held at the National Defence Agency of Japan on February 28 between the commander-in-chief of the U.S. Pacific Forces and the chairman of the Joint Chiefs of Staff of the "Self- Defence Forces" [SDF] of Japan. At the talks the two sides reportedly reached a consensus of views that "It is important to improve 'prompt reaction posture' through joint training of the 'SDF' of Japan and the U.S. Forces and show it to surrounding areas."

The Japanese NIHON KEIZAI SHIMBUN February 29 said this aimed to lay emphasis on close tieup between Japan and the United States surrounding the situation on the Korean peninsula.

This confab of the U.S. and Japanese warmaniacs is a dangerous movement which fully reveals their attempt to stifle the DPRK by force of arms; it has put the DPRK on the watch.

DPRK: U.S., Japan Seek 'Domination and Control Over Asia'

SK0303065696 Pyongyang KCNA in English 0648 GMT 3 Mar 96

["Forces Wrecking Peace and Stability of Asia" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 3 (KCNA) — To establish domination and control over Asia is a consistent stand of the United States and Japan, and for building a free and prospering new Asia, it is imperative to remove the factors blocking it, says NODONG SINMUN in a signed article today.

Pointing out that the ambitions of the U.S. and Japan have not changed though the cold war has come to an end, the article says:

The U.S. persists in an anachronistic policy to dominate Asia, and Japan chimes in with the U.S. policy of strength in an attempt to dominate, by making profit in it, Asian nations once again. [sentence as received]

Such kind of moves of the U.S. and Japan is illustrated in the question of U.S. military presence in Japan.

The United States is scheming to continue to take grip of military bases in Japan, in which huge Armed Forces are amassed and which serve the U.S. as bases for sortie, supplies and logistics targeting East Asia and other regions of the world so as to militarily overpower the Asian nations.

The Japanese Government authorities hold that the existence of U.S. forces is "inevitable" for "security" of Japan and "maintenance of peace" in the Far East.

On the other hand, they scheme to conceal their ulterior intention for military power and realize the design for overseas expansion with the backing of the U.S. by allowing the continuous U.S. military presence in Japan under the signboard of "security" of Japan.

It is an anachronistic manoeuvring for the United States and Japan to keep and fortify the U.S. forces and bases in Japan.

The United States, after the end of cold war, has still kept huge Armed Forces in South Korea, Japan and other Asia-Pacific regions allegedly to cope with the "case of emergency on the Korean Peninsula" and continues to carry on war drills against the DPRK.

Clamouring about the fictitious "threats from the North", the United States has kept one third of U.S. forces abroad in the East Asian region in an attempt to realize its dominationist design.

It is ceaselessly reinforcing its forces in Japan and South Korea and other regions around the Korean Peninsula, making preparations to set in motion U.S. forces any moment. And, it is frequently conducting war exercises with Japan and the South Korean puppet army, bringing the situation in the region to the brink of war.

With the continuous stationing of U.S. forces in the Asian region, the region is fraught with the danger of armed conflict and war and tops the list in arms race.

The Asian people, who value peace, should get united and vigorously conduct the struggle for dismantlement of aggressive military bases and withdrawal of foreign troops and against arms race, aggression and war in their region.

DPRK Commentary Denounces U.S. Aircraft Carrier's Call at Pusan

SK0203012896 Pyongyang Korean Central Broadcasting Network in Korean 1222 GMT 28 Feb 96

[Commentary by Kim Ho-sam: "They Had Better Give Deep Thought"]

[FBIS Translated Text] The United States is still proceeding on the road of aggravating the situation on the Korean peninsula. As has already been reported, the U.S. aircraft carrier, Independence, of the 7th Fleet, which conducted a military exercise near the Korean peninsula after leaving Yokosuka port in Japan, sneaked into Pusan port recently.

Why did this ultramodern combat naval ship, carrying 82 fighters aboard and equipped with ship-to-air missiles and ship-to-ship missiles, suddenly sneak into South Korea? It is only too clear. Needless to say, it is aimed at encouraging Kim Yong-sam who is being driven into a corner and at threatening us militarily.

Needless to say, such an act by the United States is by no means beneficial for peace and security on the Korean peninsula.

In the middle of February, the United States went so far as to kick up the commotion of opening to the public a B-1 strategic bomber for the first time in South Korea. The B-1 strategic bomber is also an up-to-date, long-range, nuclear-loaded airplane which can cross the Pacific carrying 215 tonnes of bombs.

Earlier, the United States sent a nuclear submarine to South Korea to conduct a joint naval exercise with the South Korean puppets. Thus, as February transpired, the United States not only dragged in a nuclear bomber, a nuclear submarine, and a nuclear aircraft carrier [to Korea], but also unprecedentedly intensified military exercises together with the puppets. The valiant Usher 96- 2K naval-air force joint war exercise is an example of this.

Besides these exercises, a bombing exercise, simulating us as the enemy and involving a B-52 strategic bomber, was staged this month in the area of Ammyong-do and Tokchok-do islets in South Korea.

Such ill-boding military moves of the United States tell us that the U.S. administration's policy to crush our Republic has not changed at all and that it is proceeding to a more reckless stage.

The relations between us and the United States are now in a state of belligerence [kyojon kwangye]. It is clear to everyone that the Korean Armistice Agreement concluded 43 years ago literally means a momentary cease-fire between the DPRK and the United States and does not mean a durable peace.

If large quantities of strategic nuclear weapons are introduced to the Korean peninsula which has been in such an unstable state of cease-fire for 40-odd years, and if gun shots are continuously heard along the Military Demarcation Line which is in a momentary cease- fire state, this will, needless to say, lead the situation to an extremely dangerous stage and finally lead to the brink of overall confrontation. Such a situation involves a greater danger because there is no institutional mechanism which can ensure durable peace on the Korean peninsula. This is why the people of the world are keenly watching the situation on the Korean peninsula.

If the flames of a new war flare up in Korea, their blaze will expand to Northeast Asia in view of Korea's geographical location and its military and strategical significance. In such a case, the world will be driven into the disaster of a nuclear war.

Given the fact that the United States is frantically staging military exercises near the Korean peninsula and in the Asia-Pacific region, we can realize that it is coveting not only the Korean peninsula, but also the vast Northeast Asian region. If not, then why has the United States deployed on the Korean peninsula, missiles whose ranges are far beyond Korea's boundary and why did it stage the bombing exercise by mobilizing strategic nuclear bombers which can cross the Pacific? The United States regards its (?occupation) of the Korean peninsula as an important lever in implementing its Asia-Pacific strategy.

Establishing a new peace-guarantee system on the Korean peninsula today is a vital problem not only for peace and security of Korea, but also for peace and security in Asia and the rest of the world. This is why in a press statement by the Ministry of Foreign Affairs' spokesman on 22 February we proposed to the United States to conclude a tentative agreement as an expanded initiative to establish a new peace-guarantee in an effort to arrange, a basic institutional mechanism to prevent arms conflict and war on the Korean peninsula while taking into full consideration the U.S. strategy toward Korea and the level of the present DPRK-U.S. relations.

If our proposal is realized, the danger of armed conflict and new war on the Korean peninsula will, by far, be eliminated, and a good influence will be effected in the improvement of relations between the DPRK and the United States.

Nevertheless, the United States opposed our proposal. If the United States truly wants peace on the Korean peninsula and hopes to improve relations between the DPRK and the United States, there is no reason whatsoever for it to refuse our generous proposal.

A DPRK-U.S. agreed framework was adopted and effectuated between us and the United States, and it has been implemented thus far. The DPRK-U.S. light-water reactor negotiations were finally settled some time ago.

At such a time, the U.S. bellicose elements are trying to aggravate tension. This is by no means beneficial to the United States, either. If the U.S. bellicose elements continue to advance along the road of aggravating the situation while turning away our proposal, they will bear total responsibility for all consequences arising therefrom.

DPRK Reports ROK Protests Against U.S. Role in Kwangju

SK0203044496 Pyongyang KCNA in English 0354 GMT 2 Mar 96

["The United States Denounced in S. Korea" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 2 (KCNA) — South Korean university students and organisations related to the May 18 incident have turned out in a struggle against the United States after it was clarified that the U.S. approved the military suppression of the Kwangju popular uprising, a Seoul-based radio reported.

Some 200 university students affiliated with the Kwangju and South Cholla provincial federation of university student councils staged a demonstration in front of the American Centre in Kwangju on February 28, demanding a probe into the truth behind the U.S. involvement in the May 18 incident and its open apology.

They said that the recently-published top-secret document of the U.S. Government clearly proved that the U.S. is the real backstage manipulator of the May 18 massacre in Kwangju.

They urged that the U.S. Government openly apologize to the South Korean people for having concealed the truth up to date.

On the same day, students affiliated with the Seoul district Federation of University Student Councils staged a surprise demonstration in front of the U.S. Embassy, denouncing the U.S. Government for approving the military suppression of the Kwangju popular uprising by the new military of South Korea.

The Kwangju-South Cholla provincial committee for joint measures to indict those responsible for the May 18 incident said in a statement that it felt betrayed by the irresponsible stance of the United States, which has consistently denied its prior involvement in the military suppression of the Kwangju popular uprising.

It urged the U.S. Government to open all its support to the Kwangju massacre to the public and apologize for this.

Organisations related to the May 18 incident which are composed of victims of the Kwangju massacre demanded of the U.S. an official admission and apology, saying that they could not repress their shock and resentment at the U.S. approval of armed suppression.

For this purpose, they, together with the people, will conduct such struggles as protest calls at the U.S. Embassy from next week, they declared.

DPRK: ROK Anti-U.S. Rallies Urge Apology for Kwangju

SK0303065096 Pyongyang KCNA in English 0624 GMT 3 Mar 96

[FBIS Transcribed Text] Pyongyang, March 3 (KCNA) — South Korean university students denounced the United States for approving the military suppression of the Kwangju popular uprising in 1980, according to a foreign press report from Seoul on March 1.

In Seoul, some 300 students held an anti-American rally and demonstration near the U.S. Embassy, chanting "America, apologize."

In Kwangju, some 500 students clashed with police, who fired volleys of tear gas. The students retaliated with rocks.

They tried to march on the "U.S. Cultural Centre" while violently clashing with the police.

More than 100 students in Taegu held an anti-American rally and demonstration.

DPRK Red Cross Urges ROK Return of Cargo Vessel's Crew

SK0203012996 Pyongyang KCNA in English 0102 GMT 2 Mar 96

[FBIS Transcribed Text] Pyongyang, March 2 (KCNA) — Yi Song-ho, acting chairman of the Central Committee of the DPRK Red Cross society, sent a telephone message today to Kang Yong-hun, president of the South Korean Red Cross, over the wreckage of the Yombunjin.

The message says:

The Yombunjin, a DPRK cargo vessel, was wrecked in a tidal wave on international waters in the East Sea of Korea.

It has been reported that two crewmen of the wrecked vessel and two dead bodies were carried away by a naval patrol boat of your side.

I hope your side will take measures for immediate return of the two crewmen and two dead bodies to the DPRK from a humanitarian and compatriotic stand.

DPRK Talk Aimed at ROK Army Assails 'War Exercises'

SK0303023296 Pyongyang Radio Pyongyang in Korean to South Korea 0900 GMT 29 Feb 96

[Unattributed talk from the "Hour for Officers and Men of the South Korean Armed Forces" program: "For Whose Benefit Are You Driven to War Exercises?]

[FBIS Translated Text] Officers and men of the South Korean Armed Forces: As soon as the New Year began, the traitorous Kim Yong-sam clique staged a large-scale winter war exercise for four weeks. In February it perpetrated a war frenzy more frantically than ever. While raving about military readiness, the traitorous Kim Yong-sam clique staged a joint bombing exercise as part of a war exercise called Valiant Usher 96-2K and another exercise called Coronet Regatta in which B-52 strategic bombers and other elements of the U.S. Air Force participated.

Prior to this, the puppets staged a large-scale aerial war exercise over Anmyon Island and Tokchok Island with the United States. This war exercise, which was frantically staged with the participation of approximately 1,200 fighters, was a military provocation to launch a surprise attack on our coastal areas and strategic central regions. It endlessly perpetrated war commotions such as a large-scale airlift exercise to infiltrate commandos, strategic reconnaissances on and espionage against us, and armed provocations along the Military Demarcation Line.

What cannot be overlooked is the fact that the puppets plan to stage more war exercises from June to December. They include large- scale joint war exercises such as (RS-5), Freedom Banner, Rimpac-96, Ulchi-Focus Lens-96, and Foal Eagle-96 and war exercises such as Hoguk-96 and Hwarang-96.

The traitorous Kim Yong-sam clique are making these military movements and perpetrating these war exercise commotions to complete preparations in the final stage for invading our Republic and to ignite a fuse to a new war at anytime. If a war breaks out in this land, it will spread into a nuclear war, and then our beautiful land will be reduced to a wasteland, and our fellow countrymen will become victims of a nuclear war.

A war in which people will perish and in which land is devastated is not beneficial to anyone.

Officers and men of the South Korean Armed Forces: You must ponder why and for whom you aim your guns at your fellow countrymen and are mobilized in war exercises.

Generally speaking, the primary mission of an Army is to prevent foreign aggression. A national Army's noble mission is to defend its country from foreign aggressors and defend the people's lives and property. Therefore, this mission must be placed above any military action or military exercise.

But you are mobilized in war exercises that are staged with outside forces against your fellow countrymen. How should one view this?

There is no enemy of the South Korean Armed Forces in the northern half of the Republic, and our people and People's Army do not want to fight you, people of the same blood. Therefore, our party and the Government of the Republic have made every sincere effort to peacefully reunify the fatherland on the strength of the nation. In recent days alone, we convened a joint meeting of the political parties and public organizations of the Republic, advanced a momentous proposal for making this year a year of peace and great national unity, and called on the people in the North and South and overseas to positively implement this proposal.

Nevertheless, you are mobilized in war exercises being staged with outside forces against your fellow countrymen. Can there be a more hideous disgrace than this?

The traitorous Kim Yong-sam clique is frantically staging war exercises for northward aggression with outside forces to avoid by all means its dirty fate in which it is isolated and rejected from home and abroad and pushed into a corner.

The Kim Yong-sam ring is taming you as a tool for maintaining its power and trying to use you as cannon fodder in a war of aggression.

Officers and men of the South Korean Armed Forces: You must no longer be deceived by the rascals' vicious maneuvers. Following the traitorous Kim Yong-sam clique's orders and continuously being mobilized in war maneuvers for northward aggressions is an antinational crime and a road to shameful death.

If you, officers and men of the South Korean Armed Forces, truly live for the nation, you must embark on a patriotic road for the nation, instead of aiming your guns at the hearts of your fellow countrymen.

DPRK: ROK Said To Amass Arms in 'Foremost Front Area'

SK0203053896 Pyongyang KCNA in English
0358 GMT 2 Mar 96

["South Korean Puppets Amass Forces in Foremost Front" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 2 (KCNA) — Military sources said that the South Korean puppets amassed huge aggression Armed Forces and fired rifles and guns against the northern half of Korea in the foremost front area on Feb. 28-29.

On Feb. 29, the puppets brought four heavy tanks and more than 200 heavily-armed soldiers in the eastern sector of the foremost front from the in-depth area.

105 mm and 155 mm artillery groups of the puppet army deployed in the western and central sectors of the front fired about 500 shells at random towards the areas adjacent to the Demilitarized Zone (DMZ).

Earlier, on Feb. 28, a heavy tank group of the puppet army took an offensive emplacement on the southern bank of the River Imjin in the western sector of the front and ran abruptly towards the area of the DMZ along the Military Demarcation Line (MDL), firing some 30 shells.

All these war hysterics are the last-ditch effort of the Kim Yong-sam group to find a way out of the worst political crisis in North-South confrontation.

If the South Korean puppets provoke a war going against the nation's desire for peaceful reunification, they will pay dearly for it.

DPRK Paper: ROK Trying To Ignite Second Korean War

SK0203103396 Pyongyang KCNA in English 0959 GMT 2 Mar 96

["What Are Joint Military Manoeuvres For?" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 2 (KCNA) — The joint military manoeuvres staged by the South Korean puppets together with the U.S. Forces in the U.S. mainland are not a mere "expedition training" but an extremely dangerous play with fire to complete the preparations to invade the northern half of Korea.

So says MINJU CHOSON in a commentary today.

The news analyst goes on:

Not content with frantically staging war manoeuvres against the North in the sky, the land and the sea of South Korea, the Kim Yong- sam group are making an adventurous military action even in the U.S. mainland. This fully shows to what extend their war hysterics has gone.

The Kim Yong-sam group brought in a nuclear submarine of the U.S. Navy from the beginning of the year and staged a "joint anti- submarine ?ticed that as the puppets announced, the current joint military manoeuvres are being staged according to the war program worked out by participants in the Persian Gulf War. This proves that the South Korean puppets are trying to ignite a second Korean war together the United States with the methods used in the Persian Gulf War and thus realize their wild ambition for invading the North.

DPRK Daily Reacts to ROK Call for Support of ASEAN Nations

SK0203102196 Pyongyang KCNA in English 0950 GMT 2 Mar 96

["Silly Behaviour of Separatists" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 2 (KCNA) — The Kim Yong-sam group sent "specialists" to some countries to study "reunification experience" of former divided countries. They also ask for support to "resumption of inter-Korean dialogue," travelling ASEAN nations. Commenting on this, a MINJU CHOSON analyst says today:

The puppets are making a hue and cry over "dialogue" and "unification," raising the reunification question, which belongs to the nation's internal affairs, abroad. This is not because they are really interested in reunification.

The puppets, regardless of dialogue and reunification, are sticking to intrigues against the North and North-South confrontation and frantically carrying on war drills against the North, thus bringing the situation of the Korean peninsula to the brink of war.

While running mad in war preparations to attack the dialogue partner, they are crying for "dialogue" and "unification" abroad. What a wicked double-dealing behaviour it is. Underlying it is an ill-intentioned scheme to do harm to the North.

The Kim Yong-sam group, whose days are numbered for their acts running counter to the times and the people, are making empty talk about "unification" and "dialogue", in a foolish attempt to cover up their separatist nature, make public opinion believe they were "interested" in the country's reunification and improve their image.

DPRK: ROK Party Urges Probe Into Chon's Secret Fund Scandal

SK0303065596 Pyongyang KCNA in English 0621 GMT 3 Mar 96

[FBIS Transcribed Text] Pyongyang, March 3 (KCNA) — The spokesman for the opposition Democratic Party of South Korea urged the authorities to clarify the background of the secret fund scandal of the traitor Chon Tu-hwan, a Seoul-based radio reported.

He said that the present regime refuses to probe Chon's secret fund because it is fearful that the involvement of Kim Yong-sam, Kim Chong-pil and Kim Tae-chung in the secret fund may be opened to the public.

DPRK Paper Comments on Kim Yong-sam's 1 Mar Address

SK0403083896 Pyongyang KCNA in English 0805 GMT 4 Mar 96

["NODONG SINMUN on Kim Yong-sam's 'March 1 Address'" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 4 (KCNA) — NODONG SINMUN today comments on the traitor Kim Yong-sam's "address" read by the "prime minister" at a recent "ceremony marking the anniversary of the March 1 popular uprising."

The daily says:

In the "address" the traitor advertised his "achievements", talking about "democracy and prosperity" and "liquidation of military dictatorship". This reminds one of a prostitute claiming her chastity.

It is well known a fact that over the past three years since he took power, South Korea has become a worse graveyard of independence and democracy and a more horrible living hell than in the period of the military dictatorship.

Admittedly, he is a human dreg who has hindered peace and peaceful reunification, increased the danger of war and embezzled for his own benefit a large amount of money from taxes paid by the sweat of the people's brow, involved in No Tae-u's slush fund scandal.

In the "address" he also groundlessly charged the North again, trying to blame the North for the deteriorated relations between the North and the South and the failure of inter-Korean dialogue.

It is none other than the traitor that, upon taking power, restarted the anti-North nuclear war exercises Team Spirit, which had been suspended at the end of the "Sixth Republic", and has frozen the multi-channelled dialogue between the North and the South. It is also he that drove inter-Korean relations to the worst phase of confrontation by levelling guns at the fellow countrymen in the North instead of expressing condolences over the misfortune which fell on them suddenly and that has brought the situation of the country to the brink of war by frequently staging large-scale military manoeuvres with outside forces against the North.

The warmaniac's call for "exchange and cooperation" and "resumption of dialogue" is nothing but a deceptive trick to veil the anti-reunification, bellicose nature of his clique hell bent on efforts to slay the fellow countrymen in the North in league with outside forces.

DPRK: Pomminnyon Overseas Delegation Visits North's Headquarters

SK2902045096 Pyongyang KCNA in English 0355 GMT 29 Feb 96

[FBIS Transcribed Text] Pyongyang, February 29 (KCNA) — The delegates of the overseas headquarters of the National Alliance for the Country's Reunification (Pomminnyon) who had participated in an emergency meeting of the presidium members of the North and overseas headquarters visited the North side headquarters on February 28.

As vice-chairmen So Man-sul and Yang Tong-min of the overseas headquarters, deputy director Pak Yong of the secretariat of the overseas headquarters and its director Yim Min-sik who is also the secretary general of Pomminnyon arrived, the members of the North side headquarters welcomed them with an enthusiastic applause.

Chairman of the North side headquarters Paek In-chun who is also chairman of the Central Committee of the General Federation of the Unions of Literature and Art of Korea, and vice-chairmen of the North side headquarters greeted them and conversed with them in a compatriotic atmosphere.

The visitors went round the North side headquarters.

DPRK: SPA Reunification Policy Letter Distributed Abroad

SK2902044396 Pyongyang KCNA in English 0353 GMT 29 Feb 96

[FBIS Transcribed Text] Pyongyang, February 29 (KCNA) — The Reunification Policy Committee of the Supreme People's Assembly of the Democratic People's Republic of Korea sent a letter of the joint meeting of the political parties and organisations in the DPRK held on January 31 to parliaments, friendship organisations and public figures in different countries of the world.

It was sent to parliaments of more than 70 countries including China, Cuba, Cambodia, Laos, Thailand, Pakistan, Kazakhstan, Iran, Indonesia, Japan, Vietnam, Libya, Zimbabwe, Tanzania, Algeria, Uganda, Egypt, Germany, Romania, Russia, Bulgaria, Belarus, France, Britain, Ukraine, Italy, Nicaragua, Mexico and the United States.

It was also sent to more than 50 friendship organisations and public figures of many countries.

DPRK: Koreans in China Support 1996 as Year of Peace, Unity

SK2302090696 Pyongyang KCNA in English 0831 GMT 23 Feb 96

[FBIS Transcribed Text] Pyongyang, February 23 (KCNA) — The General Association of Korean Citizens in China made public a statement on Feb. 13 in support of the proposal of the joint meeting of the political parties and organisations of the Democratic People's Republic of Korea for making 1996 "a year of peace and great national unity."

The new proposal is a timely and patriotic one representing the aspiration and will of the fellow countrymen for opening the road of peaceful reunification, the statement said, expressing firm support to it.

It said the General Association of Korean Citizens in China and all the Korean citizens in China will courageously rise in the nationwide struggle to frustrate the reckless new war provocation moves of warmaniacs at home and abroad and preserve peace in the country and achieve great national unity in response to the new proposal of the joint meeting.

DPRK: WPK Delegation Departs for Yugoslavia, East Europe

SK2402112996 Pyongyang KCNA in English 1045 GMT 24 Feb 96

[FBIS Transcribed Text] Pyongyang, February 24 (KCNA) — A delegation of the Workers' Party of Korea [WPK] led by Chi Chae- yong, deputy director of a department of the WPK Central Committee, left Pyongyang today to visit Yugoslavia and other Eastern European countries.

It was seen off at the airport by Kim Yang-kon, deputy director of a department of the WPK Central Committee, Ojakic Ljubomir, Yugoslav ambassador to Korea, and Dimitar Dekov [spelling of name as received], counselor of the Bulgarian Embassy here.

DPRK: Hwang Chang-yop Sees Off Nepalese Communist Delegation

SK2402111196 Pyongyang KCNA in English 1028 GMT 24 Feb 96

[FBIS Transcribed Text] Pyongyang, February 24 (KCNA) — The delegation of the Nepal Communist Party (United Marxism-Leninism) led by General Secretary of its Central Committee [C.C.] Madhav Kumar Nepal [spelling of name as received] returned home today after winding up its 10-day visit to Korea.

The delegation was seen off by secretary of the C.C., the Workers' Party of Korea Hwang Chang-yop.

The delegation visited Mangyongdae, the monument to the party foundation, the West Sea [Yellow Sea] barrage and other places, during its stay.

DPRK Ministry Spokesman on 'False' Food Situation Rumors

SK0403084896 Pyongyang KCNA in English 0836 GMT 4 Mar 96

[FBIS Transcribed Text] Pyongyang, March 4 (KCNA) — The spokesman of the Foreign Ministry of the Democratic People's Republic of Korea issued a statement today denouncing some Western media and the South Korean authorities obsessed with chronic hostile sentiment toward the DPRK for spreading false rumours these days that something big would soon happen concerning food problem in the DPRK.

The statement says:

Needless to say, some forces connect humanitarian food assistance with the rise and fall of the social system of the DPRK, motivated by their sinister political purpose of impairing its dignity and its international prestige.

This is ridiculous, indeed.

Our socialism is a unique man-centred one chosen by our people themselves and built by their own efforts in conformity with their specific conditions on the basis of the chuche idea.

Through their own long experience, our people have deeply felt that their socialist system is a benevolent one that defends their destiny and future. The complicated international situation today hardens their belief that if they abandon socialism, they will get nothing but death.

Our society is solid and invincible because the leader, the party and the masses have become an integral whole.

Foolish are those who think the Korean people might discard their faith and loyalty and abandon the Korean-style socialist system, their lifeblood, in face of temporary difficulties.

Our people have surmounted far more grim trials and difficulties than now. During the bloody struggle for national restoration, the fatherland liberation war and the difficult postwar reconstruction on the debris, never did they yield to difficulties or waver without confidence.

However big the flood damage we suffered last year may be, it is no more than a natural disaster and it is next to nothing compared with the ordeals our people had experienced in the past.

Today we have a great leader, a great party, a courageous people wholeheartedly united around the party and the leader, a solid foundation of independent national economy and a powerful military potential based on it.

Humanitarian assistance should be what it is in any case. If anyone tries to abuse the humanitarian issue in slandering our system and policy and impairing the authority of our party and top leadership, we will never pardon him and make him pay dearly for it without fail, whoever he may be.

This is our unshakable position.

DPRK: Peruvian City Names Kim Chong-il Honorary Citizen

SK2702051096 Pyongyang KCNA in English 0354 GMT 27 Feb 96

[FBIS Transcribed Text] Pyongyang, February 27 (KCNA) — The great leader Comrade Kim Chong-il was acclaimed as honorary citizen of Nuevo Chimbote, Santa region of Peru, on the occasion of his 54th birthday.

A decision of the city council on acclaiming him as honorary citizen of the city was read out at a meeting held at the conference room of the city hall on February 21.

It pointed out that the city council decided to register Marshal Kim Chong-il, the supreme leader of the Democratic People's Republic of Korea, as honorary citizen and present him with the city medal in high estimation of his exploits for the prosperity of Korea and international cooperation and for the development of the relations between the DPRK and Peru.

Mayor Nuesa Gadea handed the decision, the city medal and badge to the DPRK ambassador to Peru.

DPRK: Chuche Symposium in Japan Sends Letter to Kim Chong-il

SK2302090796 Pyongyang KCNA in English
0838 GMT 23 Feb 96

[FBIS Transcribed Text] Pyongyang, February 23 (KCNA) — The great leader Comrade Kim Chong-il received a letter from the participants in the national symposium on the chuche idea and Japan-Korea friendship which was held in Chiba Prefecture, Japan, to mark his birthday.

The letter said that correct understanding of the DPRK and acceleration of Japan-Korea friendship are of great significance in achieving independence of Japan and preserving peace in Asia and the world.

If the Korean problem is ignored, the "Japan-U.S. Security Treaty" can not be abrogated, nor can U.S. military bases in Japan be dismantled and independence and peace in Japan be realised, it said.

The letter expressed the resolution to deeply study the chuche idea and disseminate it among many people and to vigorously wage a movement for friendship and solidarity with the Korean people.

The letter heartily wished His Excellency Kim Chong-il a long life in good health.

DPRK: Kim Chong-il Visits KPA Air Force Unit 29 Feb

SK0303001696 Pyongyang Korean Central Broadcasting Network in Korean
2100 GMT 2 Mar 96

[FBIS Translated Text] Comade Kim Chong-il, supreme commander of the Korean People's Army [KPA], gave on-the-spot guidance to KPA Flying Unit 436. The great leader [widaehan yongdoja] of our party and our people Comrade Kim Chong-il, chairman of the DPRK National Defense Commission and supreme commander of the KPA, gave on-the- spot guidance to KPA Flying Unit 436 in the eastern sector of the front on 29 February.

At the flying unit, which reliably defends the skies above the eastern sector of the front, there were placards bearing revolutionary and militant slogans such as "Long live respected and beloved Supreme Commander Comrade Kim Chong-il!"; "Let us devotedly fight for our respected and beloved Supreme Commander Comrade Kim Chong-il"; and "Let us firmly prepare ourselves to be one-is-a- match-for-100 airmen by making flying exercises a daily routine."

The hearts of soldiers of the flying unit were beating fast with great gratitude and happiness because of the visit by the respected and beloved comrade supreme commander, who is making every effort to strengthen and develop the Air Force.

KPA Supreme Commander Comrade Kim Chong-il arrived at the unit at 1500 [0600 GMT]. A storm of cheers and the strong shout of a slogan on devotedly defending Kim Chong-il [kimjongil kyolsa ongwiranun himchan kuho sori] burst forth at that moment, ringing in the skies above the flying field.

Supreme Commander Comrade Kim Chong-il was received on the spot by Comrade Yi Ha-il, vice marshal of the KPA; Comrades Kim Myong- kuk, Kim Ha-kyu, and Hyon Chol-hae, generals; Comrades Pak Chae- kyong and O Kum-chol, colonel generals; other KPA generals and officers; and commanding officers of the unit.

Escorted by the commander of the unit, Comrade Kim Chong-il visited the shooting practice range, the general flying exercise ground, and the exercise auditorium, and grasped the situation concerning the airmen's ground exercise. Comrade Kim Chong-il said: It is very good that the flying unit excellently prepared training facilities to smoothly conduct all ground-based flying exercises with their own strength by greatly displaying the revolutionary spirit of self-reliance and has constantly elevated the airmen's technical and functional level. He then said that they should master chuche-oriented air force tactics by making flying exercises a daily routine.

Comrade Kil Chong-il dropped into the education room and acquainted himself with the actual conditions of ideological indoctrination of airmen. He looked at various notebooks of airman Kil Yong-cho, a hero of the Republic, who heroically died for the party, the leader [suryong], the fatherland, and the people, and read a poem by him that manifested the sublime nature of his spiritual world. Comrade Kim Chong-il turned each page of the notebooks that plainly bear the hero's blood-and-tears endeavor to firmly arm himself with our party's revolutionary idea, and said that Comrade Kil Yong-cho was able to do a heroic deed in a life- and-death emergency because he had constantly struggled to increase his loyalty during more ordinary times. Comrade Kim Chong-il said that our party is strong and our fatherland is firm thanks to many loyal servants like hero Kil Yong-cho, and stressed that all People's Army soldiers should follow the model of Comrade Kil Yong- cho.

Comrade Kim Chong-il, along with accompanying cadres, also watched an art performance by airmen of the Kil Yong-cho Squadron. Various artistic pieces, including the party song "Let Us Uphold the Red Banner," the poem "There Will Be the Most Brilliant Beams," an instrumental piece "Song in the Memory," and a solo with chorus "Let Us Fly Higher" vividly showed our airmen's iron-firm faith and will to death-defyingly defend the great general by turning themselves into gun shells, as well as their worthwhile and optimistic lives in the military.

Comrade Kim Chong-il embraced the members of the Kil Yong-cho Squadron, who followed him with tears in their eyes because they were unwilling to part from him, for a long time to encourage them and give warm love to them.

Next, Comrade Kim Chong-il climbed up the command tower in the flying field to see airmen's flying exercise and expressed his great satisfaction with the fact that our brave airmen, hawks in the sky, have grown up as one-is-a-match-for-100 fighters capable of destroying any strong enemy at a blow. He then presented programmatic tasks for further strengthening and developing the KPA, the reliable protector of the chuche revolutionary cause, into invincible revolutionary armed forces.

Supreme Commander Comrade Kim Chong-il posed for pictures with the soldiers of the unit that day. All soldiers of the unit showed irresistible gratitude and happiness that the supreme commander comrade, whom they long to see when awake or asleep, visited the distant guard post, despite the bad weather, to brilliantly elucidate the road ahead of the unit and extend his boundless love and trust. They were filled with the burning resolve to defend the skies of the impregnable fatherland by thoroughly implementing the militant tasks presented by the great general.

DPRK: 'Democratic Front of South Korea' Group Visits Mansu Hill

SK2902041196 Pyongyang KCNA in English
0244 GMT 29 Feb 96

[FBIS Transcribed Text] Pyongyang, February 29 (KCNA) — Chief Yi Chong-sang and members of the Pyongyang mission of the National Democratic Front of South Korea Wednesday visited the statue of the great leader President Kim Il-song on Mansu Hill and paid homage to him.

They laid a floral basket before the statue and made a bow to him in humble reverence.

Written on the ribbon hanging from the basket were letters "The Great Leader Comrade Kim Il-song Is Immortal".

Yi Chong-sang said that they will take the lead in the struggle for national reunification upholding the great leader General Kim Chong-il to implement the behests of Comrade Kim Il-song.

DPRK Model Youth, Students Awarded Kim Il-song Prize

SK2902040996 Pyongyang KCNA in English
0242 GMT 29 Feb 96

[FBIS Transcribed Text] Pyongyang, February 29 (KCNA) — "The Kim Il-song Youth Honour Prize" was awarded to Yu Kwang-nim, secretary of the primary committee of the foreign language faculty of Kim Il- song University of the Kim Il-song Socialist Youth League, Chong Hyo-rim, student of Pyongyang University of Agriculture, and seven other officials of the league and students who set examples in carrying out their revolutionary tasks and in their study and organizational activities, upholding the leadership of the Workers' Party of Korea [WPK].

An awarding ceremony was held in Pyongyang Wednesday.

Present there were Kim Chung-nin, secretary of the WPK Central Committee, Choe Yong-hae, first secretary of the Central Committee of the Kim Il-song Socialist Youth League, officials concerned and participants in the National Conference of University Students.

DPRK: Anniversary of Agrarian Reform Marked

SK0403122696 Pyongyang KCNA in English
1112 GMT 4 Mar 96

[FBIS Transcribed Text] Pyongyang, March 4 (KCNA) — A national meeting was held at the People's Palace of Culture here today to mark the 50th anniversary of the promulgation of the agrarian reform law by the great leader President Kim Il-song.

After the liberation of the country he, taking into account the peasants' long-cherished desire for their own land, set the slogan "Land To the Tillers!" and energetically directed preparations for agrarian reform. Then, he promulgated the historic agrarian reform law on March 5, 1946.

The meeting was attended by Vice-president Yi Chong-ok and Secretary of the Workers' Party of Korea [WPK] Central Committee Han Song-yong, who are also members of the Political Bureau of the WPK Central Committee, and other senior party and state officials.

Hong Song-nam, alternate member of the Political Bureau of the WPK Central Committee and vice-premier of the Administration Council, delivered a report at the meeting.

He quoted Comrade Kim Il-song as saying:

"Agrarian reform is the task which has top priority in solving the peasant and agricultural questions in the stage of democratic revolution."

He said the "law on agrarian reform in North Korea" authored and promulgated by Comrade Kim Il-song was a chuche-based programme of agrarian reform which gave the correctest answer to the land issue the working-class party should solve in the stage of the anti- imperialist, anti-feudal democratic revolution. It is also the great law on land which indicates the ways of liquidating the feudal land ownership and freeing the peasants from feudal exploitation, he said.

In the agrarian reform in the North of Korea the main principles were adhered to and the class relationship in the countryside, the land ownership and the peasants' long-cherished desire for their own land were taken into consideration. Agrarian reform was carried out in such a way as properly defining those whose land should be confiscated, confiscating the landlords' land without compensation and distributing the land to the peasants who had no or small land free of charge.

The reporter said:

The successful agrarian reform made it possible to extricate the agricultural productivity from the feudal relationship of production, lay solid foundations for removing all the mediaeval backwardness from the countryside, rapidly develop rural economy and powerfully promote the development of the independent national economy.

Comrade Kim Il-song published "Theses on the Socialist Rural Question in Our Country" in 1964 by consummating the rich experience and precious feats gained in the efforts for the settlement of the peasant and agricultural questions in the stage of the anti- imperialist, anti-feudal democratic revolution and in the stage of the socialist revolution. And he wisely guided the efforts to dynamically carry on the three revolutions, ideological, technical and cultural in the countryside.

The great leader Comrade Kim Chong-il clarified principled matters arising in the new high stage of revolutionary development, including the matter of giving full play to the advantages of collective management in agriculture and enhancing the agricultural workers' sense of responsibility and role.

He took important measures to intensify the guidance of the party and the state over the countryside. He effectively led the agricultural workers and other Korean people to follow the path indicated by the rural theses in the face of the vicious activities of imperialists and renegade socialists to revive capitalism in the socialist countryside.

Under his outstanding and tested leadership, Comrade Kim Il- song's achievements in the settlement of the rural question have been firmly defended and creditably carried forward.

The ideological, technical and cultural revolutions must be carried on in the countryside as indicated by the socialist rural theses for an ultimate solution to the rural question and the completion of socialism, said the reporter, outlining what should be done to this end.

In keeping with the development of socialist rural construction to a new higher stage, we must intensify material and technical assistance of industry to agriculture and assistance of the state and the people to the countryside so as to promote the industrialisation and modernisation of agriculture and constantly increase the production force of agriculture, the reporter declared.

DPRK: Commissioning of New Coal Pits Reported

SK2802050496 Pyongyang KCNA in English 0435 GMT 28 Feb 96

[FBIS Transcribed Text] Pyongyang, February 28 (KCNA) — Various projects have been commissioned in the Democratic People's Republic of Korea.

Among them are the eighth pit of the Namyang coal mine under the Pukchang area coal complex, the Namsin pit of the Tokchon coal mine under the Tokchon area coal complex and the Suwon mine.

The newly-commissioned pits will produce tens of thousands of tons of coal every year.

The Suwon mine has not only a favourable cutting condition but also sets of uptodate ore-dressing and smelting facilities.

The Anju area coal complex built a 2,500-odd-square-metre calcium carbonate factory.

South Korea

ROK: U.S. Has No Plans To Discuss Missile Exports With DPRK

SK0103030296 Seoul YONHAP in English 0159 GMT 1 Mar 96

[FBIS Transcribed Text] Washington, Feb. 29 (YONHAP) — The United States has no immediate plans to meet with North Korean officials to discuss the North's suspected exportation of missile technology, although the U.S. Government has been trying to arrange one, a U.S. State Department spokesman said Thursday.

He was responding to reports that U.S. and North Korean officials are scheduled to meet in Geneva in late April to discuss the North's suspected transfer of missile technology.

The spokesman said that it is a well known fact that Washington has been trying to discuss the issue with Pyongyang because they are concerned about the possibility that the North might export its missile technology to countries in the Middle East.

He stressed, however, that there are currently no plans for such a meeting between Washington and Pyongyang.

The spokesman also denied the allegation that a meeting between Washington and Pyongyang was cancelled after it was leaked to the press, and added that the two sides have never arranged such a meeting.

State Department Spokesman Glyn Davies also said, in a routine daily press briefing, that he did not have the slightest clue about a Pyongyang-Washington meeting, and for that reason had no comment when asked about the possibility.

ROK: Defense Officials Comment on U.S. Role in Kwangju Incident

SK0203022696 Seoul CHUNGANG ILBO in Korean 29 Feb 96 p 4

[Article by Kil Chong-u in Washington and Kim Min-sok in Seoul]

[FBIS Translated Text]While trials are under way on rebellion charges against former Presidents Chon Tu-Hwan and No Tae-u in Seoul, the U.S. Government's involvement in the 18 May Kwangju incident is again in dispute in the United States. [rewording]

The JOURNAL OF COMMERCE, a U.S. trade journal, in its 27 February issue, citing a declassified U.S. Government document, said the Carter Administration approved the plans of Chon Tu-hwan, then director of the Defense Security Command, to dispatch Army troops to repress large-scale student demonstrations in 1980.

The report said the Carter Administration approved the additional dispatch of Army troops to recapture Kwangju on 22 May 1980 and that a White House meeting discussed a plan for direct intervention by the U.S. Army in case the situation deteriorated further.

At this, an official of the U.S. State Department, in a telephone conversation with a CHUNGANG ILBO correspondent on 27 February, said: "We have nothing to add to the U.S. Government statement issued in 1989. The JOURNAL OF COMMERCE report is worthless because it contains meaningless and exaggerated interpretations."

William Gleysteen, former U.S. ambassador to the ROK, in a conversation with YONHAP on that day, said, "I would not say that the contents of the document quoted by the JOURNAL OF COMMERCE are totally wrong." He added that: "The problem is that the quotation used turns out to have been taken out of context."

An ROK Defense Ministry official said: "The United States could not recognize the new military elites when the 12 December incident took place, but by the time of the 18 May incident, the United States had no choice but to recognize the new military leaders because they had already come to power."

Another official said: "The 12th Division was a reserve unit of the ROK Army. The division was not under the control of the ROK- U.S. Combined Forces. Therefore, the United States had no room in the suppression in Kwangju. It had no choice but to give tacit approval."

In the meantime, after the publication of the JOURNAL OF COMMERCE report, the U.S. Government distributed again the white paper on the Kwangju incident, which it delivered to the ROK Government in June 1989, thus officially reconfirming that the U.S. Government's position remains unchanged.

In the article, the JOURNAL OF COMMERCE reported that "The newly uncovered document is entirely different from the 'part of' the original white paper the U.S. Government redistributed."

ROK: Prospects for DPRK-U.S. Missile Negotiations Reviewed

SK0203082596 Seoul CHUNGANG ILBO in Korean 1 Mar 96 p 3

[By reporter Kim Min-sok]

[FBIS Translated Text] Like North Korea's nuclear issue, North Korea's development and exports of missiles have been international troublemakers. When there were signs that North Korea's nuclear issue was to be resolved, the United States proposed holding negotiations to prevent North Korea from developing and exporting missiles as a follow-up measure. Such a proposal was to be expected.

Well aware of U.S. intentions, North Korea has continued to avoid negotiations, so the United States has put forth the missile issue as an important precondition to normalizing North Korea-U.S. relations. North Korea decided to hold missile negotiations with the United States in Geneva from 24 April because: it is difficult to avoid pressure from the United States any longer; having direct military contact with the United States is of significance; and considerable interests may be obtained through the negotiations just as was the case during the nuclear negotiations.

Also, a long period of time has elapsed since the settlement of the light-water reactor issue because the ROK Government has been strongly opposed to direct contacts between North Korea and the United States. It was learned that the ROK Government consented to the negotiations under the condition that they be held after the April general elections and that, for the time being, the agenda be limited to the missile issue.

North Korea brought in Scud missiles from China in 1975 and started to analyze it. After concluding "an agreement to develop missiles" with Egypt in 1981, it began full-scale development of missiles. From 1984, North Korea developed a Scud missile with a shooting range of 280km and deployed it near Pyongyang. Since then, it has acquired the capability of producing 100 Scud missiles annually. Missiles have become an important item for weapons exports for North Korea with the export of 100 Scud missiles to Iran in 1987. Also, North Korea has recently been developing the Taepodong missile which is estimated to have a shooting range of 3,000-5,000km. Northeast Asia and Japan are within this shooting range, thus causing neighboring countries to be apprehensive.

This being the case, with the United States classifying missiles as well as nuclear weapons and chemical weapons as large-scale murderous weapons, it is up to the United States to try to make North Korea join the Missile Technology Control Regime [MTCR]. The MTCR is an international export control organization which prohibits the export of missiles that have a shooting range of over 300km and related parts and technology. If North Korea joins the MTCR, the export of all of its missiles will be wholly prohibited.

However, North Korea is unlikely to joing the MTCR submissively because it has invested an enormous amount of effort and money and because it regards missiles exports as an important means for obtaining foreign currency.

The U.S. side hopes this time to make North Korea join the MTCR and North Korea's true intention is to obtain a considerable amount of money from this. Therefore, trials and tribulations will be inevitable in the process of negotiations, but since North Korea's pressing goal is to improve DPRK-U.S. relations, the general view is that this matter will eventually be resolved in some form.

While the resolution of North Korea's missile issue, which has also been a headache for us, is desirable, related authorities are concerned that North Korea may gain, in addition to the original promise, an opportunity for full-scale direct contact between North Korea and the United States.

The Foreign Ministry has revealed that the ROK and the United States regard North Korea's missile issue as an important matter which must be resolved between North Korea and the United States, and have held close consultations regarding this matter, but concrete plans for North Korea-U.S. talks, and the venue and date for the talks, have yet to be reached.

ROK: Movement on Future DPRK-U.S. Missile Negotiations Noted

SK0203095596 Seoul HANGUK ILBO in Korean 2 Mar 96 p 2

[By Washington-based correspondent Chong Pyong-chin]

[FBIS Translated Text] Moves are being made again toward the improvement of North Korea-U.S. relations.

A diplomatic source in Washington revealed on 29 February that North Korea and the United States will hold negotiations on "North Korea's missile export embargo" in Geneva in late April. During a seminar at Stanford University also held on 29 February, David Brown, the U.S. State Department's ROK section chief, stressed the need to take further actions to lift additional economic sanctions on North Korea.

Indications of North Korea-U.S. talks are quite significant because, paradoxically, they come when negotiations on the improvement of North Korea-U.S. relations following the Geneva agreement on the nuclear issue have been suspended since late last year.

The U.S. State Department has denied the report on "North Korea- U.S. missile negotiations." However, observers in Washington say that North Korea and the United States have agreed in principle to hold talks in Geneva in late April but have yet to reach a complete agreement on the agenda. In particular, some sources emphasize that North Korea's missile export embargo is not the only thing to be discussed at the forthcoming Geneva talks. This is because North Korea is believed to have agreed in principle to hold negotiations anticipating it can benefit from them. In light of this, a ranking diplomatic source characterized the April talks as a second-phase of the Geneva talks between North Korea and the United States following their nuclear talks.

It appears that the United States will come up with ways to induce North Korea to become "a reliable member of the international community" in an extension of what was agreed upon at the North Korea-U.S. October 1994 Geneva talks — the freeze of North Korea's nuclear program and the improvement of North Korea-U.S. relations. For example, the United States may promise that it will lift additional economic sanctions on North Korea and will exclude North Korea from its list of terrorist countries in return for North Korea's suspension of missile exports.

North Korea is now able to sit face to face with the United States across the table of the second-phase negotiations with the "missile card" following the "nuclear card."

Since it is well aware that the United States is very much interested in the missile issue, North Korea will certainly try to use the card efficiently in the negotiations. It is highly likely that North Korea will bring up the repatriation of the remains of U.S. soldiers missing in action during the Korean war, which they discussed in Hawaii in 1995, and the signing of a tentative peace agreement, which it recently proposed.

It is also expected that, at the same time, North Korea will demand that the United States exclude North Korea from the list of terrorist countries, which serves as a stumbling block in North Korea-U.S. economic cooperation, in return for its control of missile exports.

Meanwhile, during previous ROK-U.S. discussions, the United States has reportedly promised the ROK Government that it will maintain the principle of "promoting the improvement of North Korea- U.S. relations and South-North dialogue simultaneously" during the forthcoming negotiations with North Korea. The United States has also promised not to hold "North Korea-U.S. military negotiations excluding the ROK" on the missile issue and the repatriation of the remains of U.S. soldiers.

Analysts note that the ROK position was taken into consideration in deciding to hold the Geneva negotiations in late April, after the ROK general elections.

ROK: NSP Denies Kim Chong-il's Ex-Wife in Los Angeles

SK0103132696 Seoul KBS-1 Radio Network in Korean 1300 GMT 1 Mar 96

[FBIS Translated Text] The Agency for National Security Planning [NSP] has denied media reports that Song Hye-rim and her family decided to reside in Los Angeles and that they plan to make a one-time visit to the ROK. The NSP refused to confirm the whereabouts of the Song Hye-rim family. The Song family is reportedly in hiding in a third country.

ROK: Agent Arrives To Discuss Asylum for Song Family

SK0403034496 Seoul CHUNGANG ILBO in Korean 4 Mar 96 p 1

[FBIS Translated Text] It was learned that a person involved with the family of Mrs. Song Hye-rim [DPRK leader Kim Chong-il's former wife] recently arrived in the ROK to discuss the asylum procedures for Mrs. Song and her family as well as their future course of action. He is now staying in the ROK.

On 3 March, a relevant official said that "this person, who arrived in the ROK last week, is discussing the issue on Mrs. Song and her family's future course of action. Wherever they seek asylum ultimately (although the United States would be their most likely destination), it is necessary for Mrs. Song and her family to discuss issues concerning the treatment and personal safety with the ROK Government in advance."

ROK: DPRK Allegedly Asks International Red Cross Members To Leave

SK0103102996 Seoul TONG-A ILBO in Korean 1 Mar 96 p 2

[FBIS Translated Text] It has been learned that North Korea has recently asked that relevant officials from the International Red Cross Society, who are in Pyongyang to help flood victims, leave the country. On 29 February, a high-ranking ROK Government official said that "the North Korean side asked that the International Red Cross withdraw its members from North Korea. The International Red Cross, however, has not withdrawn them, and is presently trying to ascertain North Korea's real intention."

ROK: UN Reports DPRK Facing 1.9-Million-Ton Grain Shortage

SK0203040096 Seoul YONHAP in English 0250 GMT 2 Mar 96

[FBIS Transcribed Text] Seoul, March 2 (YONHAP) — North Korea is going to be 1,911,000 tons short of the necessary 5,988,000 tons of grain needed for the coming year, according to a United Nations report on the country's food situation.

The report, which was prepared by the Food and Agriculture Organization (FAO) and the World Food Program (WFP), is based on their field surveys conducted last December, and indicates that North Korea has a grain stockpile of 4,077,000 tons for this year.

To address the shortage, it is expected that 700,000 tons will be imported and 56,000 tons will be provided in foreign food aid, which leaves a 1,155,000-ton shortfall remaining.

The 5,988,000-ton figure represents 3,688,000 tons for food, 1,400,000 tons for animal feed and 900,000 tons for other uses, according to the report which FAO Korea Society obtained from the FAO office in Rome.

Based on information obtained from the WFP, International Federation of Red Cross and Red Crescent societies and the UN Department of Human Affairs, the report predicted that unless a considerable amount of food aid is provided, North Korea's food shortage would turn from bad to worse sometime between August and September when the country's food stockpile from the previous year's harvest is exhausted.

It was also noted that approximately 2.1 million children and 450,000 pregnant and breast-feeding women need emergency food assistance because they are in a very difficult situation.

North Korea's grain production decreased 1,710,000 tons last year — 820,000 tons due to underdeveloped farming and 890,000 tons due to flood damage.

ROK: Visitors Note Kim Chong-il's Failure To Speak in Public

SK2802020296 (Internet) The Digital Chosun Ilbo WWW in English 1237 GMT 27 Feb 96

[Unattributed article: "Kim Chong-il's Mysterious Aphasia"]

[FBIS Transcribed Text] It was learned Tuesday that according to several Koreans residing in abroad who have access to Kim Chong-il that the North leader has recently failed to speak in public in circumstances where it would normally be appropriate for him to do so. One such foreign resident Korean, who has had the opportunity of recently meeting Kim, said that "Kim shook both hands with me in a most benign fashion but failed to utter any words at all. On that occasion Kim met many people but simply shook hands and said nothing."

The source said that at Kim Il-song's funeral, Kim Chong-il briefly greeted some foreign resident Koreans. It seems that Kim Chong-il must be undergoing some psychological torment affecting his faculties.

A second Korean living residing abroad who was at the Mass Youth Game Show held at the Pyongyang Stadium February 19 said "Kim Chong-il uttered not one word and remained completely silent while observing the games which lasted a full two hours."

ROK Navy Reportedly Rescues Two From Sinking DPRK Ship

SK2902065696 Seoul YONHAP in English 0623 GMT 29 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 29 (YONHAP) — The South Korean Navy reportedly rescued two crew members of a 10,000-ton North Korean merchant vessel which sank in the East Sea at 12:25 PM [0325 GMT] Thursday.

The navy also recovered two bodies at the scene of the accident, and is currently returning to the port of Tonghae in Kangwon Province, according to informed sources.

ROK Government To Return Rescued North Korean Crewmen

SK0103133696 Seoul KBS-1 Television Network in Korean 1200 GMT 1 Mar 96

[FBIS Translated Text] The ROK Government has decided to return the surviving crewmen of the wrecked North Korean cargo boat rescued by the ROK Navy ship Andong on 29 February, if they so wish. When their wish is confirmed, the government will return the surviving North Korean crewmen to North Korea through the Korean National Red Cross as soon as the investigation on the wreckage of the boat is concluded.

ROK Defense Ministry Recounts Rescue Operation of DPRK Crew

SK0203030596 Seoul THE KOREA TIMES in English 2 Mar 96 p 3

[FBIS Transcribed Text] The South Korean government has announced it will send two North Korean sailors rescued in the East Sea east of Kangnung Thursday back home should they wish to go.

The final decision about their repatriation will be made as soon as the sailors recover their health and are debriefed, a government official said yesterday.

According to the Defense Ministry, the two North Korean sailors on a lifeboat found by the ROK-Navy, were identified as engineer Yi Chin-kyu, 34, and cook Kim Il-chol, 28.

They arrived at the northeastern port of Tonghae late yesterday night on a ROK patrol vessel.

The two North Korean sailors were suffering' from exhaustion but were otherwise in good health.

According to the two survivors, their ship, the Yombunjin-ho, a North Korean-registered coal freighter, sank in rough seas 18 kilometers north of the boundary line separating South and North Korean waters on its way from Nampo to Hungnam Wednesday afternoon.

They said there were 37 people on board.

The ROK Navy retrieved the dead bodies of two other sailors in the area and took them to a hospital.

Earlier, the Navy took the two survivors and their life boat to Tonghae port about 10:30 p.m. [1330 GMT] and moved them to the Tonghae Hospital for medical checkup.

ROK: KNRC To Return Crew Survivors, Dead Crewmen to DPRK

SK0203062696 Seoul YONHAP in English 0558 GMT 2 Mar 96

[FBIS Transcribed Text] Seoul, March 2 (YONHAP) — The two North Korean sailors rescued by the Korean Navy Thursday after their ship sank in the East Sea will be repatriated, the Korean National Red Cross [KNRC] announced Saturday.

The sailors will be returned to the North "as soon as possible on humanitarian grounds," the society said. The KNRC said that it would also return the bodies of two dead crew members recovered during the rescue operation soon.

The two are believed to be the only survivors of the 9,950-ton coal freighter "Yombunjin-ho," which sank during a storm in the East Sea Tuesday.

Plans are being made so that the sailors can be returned to the North through the border village of Panmunjom, a KNRC official said.

The two have been identified as Yi Chin-kyu, 34, and Kim Il-chol, 28, and are currently recuperating in a local hospital.

ROK Red Red Cross To Return 2 Crewmen, 2 Bodies to DPRK

SK0403031496 Seoul KBS-1 Radio Network in Korean 0200 GMT 4 Mar 96

[FBIS Translated Text] The ROK Red Cross Society sent a telephone message to the North Korean Red Cross today and revealed that on 5 March at 1100 [0200 GMT] it will return to North Korea via Panmunjom the two crewmen and two bodies from North Korea's cargo vessel, the Yombunjin-ho, which was drifting on the East Sea on 29 February when it was rescued by the ROK Navy.

In a telephone message by President Kang Yong-hun, the ROK Red Cross Society demanded that since we are immediately returning the crewmen of the Yombunjin-ho for humanitarian and compatriotic reasons, the North Korean side should also return for humanitarian reasons the crewmen of the Tongjin-ho and Taeyong-ho, which North Korea has detained. On 4 March North Korea sent a telephone message to the ROK Red Cross Society and demanded the return of its crewmen.

In connection with the incident of South Koreans not being allowed to go to the North to mourn Kim Il-song's death, North Korea had rejected transmission and receipt of telephone messages. Since it sent a telephone message in February of last year on jointly dealing with the comfort women issue against Japan, the 4 March telephone message is only the second telephone message North Korea has sent to our side. Today, North Korea received a telephone message from us for the first time. However, the transmission and receipt of telephone messages at the liaison level of South-North authorities has been suspended ever since Kim Il-song's death.

ROK: PRC Asks ROK Firms, Others Not To Help DPRK Defectors

SK0403053696 Seoul CHUNGANG ILBO in Korean 4 Mar 96 p 2

[Report by Choe Won-ki]

[FBIS Translated Text] It has been learned that public security authorities in Yanbian Autonomous District in China have asked 300 ROK business firms and religious groups that have business in Yanbian not to "protect and help North Korean defectors."

According to relevant ROK Government authorities and business circles, last year the Yanbian autonomous authorities asked the ROK not to interfere in political issues, including the issue of North Korean defectors.

This being the case, the personal safety of approximately 1,000 North Korean defectors, who live in hiding in Yanbian, Changchun, Shenyang, Dalian, and Heilongjiang in China with the hope of defection to the ROK, has been threatened, and it is necessary for the ROK Government to urgently take countermeasures against this. Pursuant to "the agreement on repatriation of illegal entrants" signed between China and North Korea in 1960, the Chinese authorities deport defectors to the North Korean side as soon as they are arrested, while North Korea searches among the people who defected from North Korea by sending agents.

Concerning such a position expressed by the Yanbian Autonomous District, a relevant ROK Government official said on 3 March that "the Yanbian authorities might have taken this step in order to avoid irritating North Korea by taking into consideration the peculiar diplomatic atmospherics between North and South Korea and China." He added that in view of the delicacy in the question, it is difficult for the ROK Government to take prompt, appropriate action to solve the problem.

ROK: DPRK Denies Sending Assassins to Thailand

SK2302124196 Seoul YONHAP in English 1229 GMT 23 Feb 96

[FBIS Transcribed Text] Bangkok, Feb. 23 (YONHAP) — The North Korean Embassy here in Bangkok on Friday denied as "fabrication" the report that Pyongyang had sent six assassins to Bangkok to hurt the South Korean president set to take part in an Asia-Europe Summit meeting early next month.

Pang Song-hae, an embassy councilor, said, "Why on earth would North Korea hurt the government leader of the South," adding that some one must have invented the story with the intent of embarrassing North Korea and misleading world opinion.

The Thai newspaper DAILY NEWS, quoting a police source, said North Korea infiltrated four North Korean and two Korean-Japanese assassins into Bangkok and plans to employ eight more terrorists to hurt the South Korean leader during the Asia-Europe Summit.

ROK: Thai Government: Reports of DPRK 'Terrorists' Groundless

SK2802045796 Seoul HANGUK ILBO in Korean 28 Feb 96 p 2

[FBIS Translated Text] In connection with reports in Thai media on the infiltration by eight to nine North Korean terrorists into Thailand disguised as South Koreans prior to the Asia-Europe Summit, the Foreign Ministry said on 27 February that the Thai Government has confirmed that the reports are groundless.

So Tae-won, spokesman for the Foreign Ministry, said: "The Thai Government officially informed the ROK Mission in Thailand on 26 February that there were no cases in which North Koreans were caught entering Thailand disguised as South Koreans."

ROK: DPRK Defectors Describe 'War Crisis Mood' in DPRK

SK0303061496 Seoul HANGUK ILBO in Korean 12 Feb p 11

[First in seven-part series of reports on interview with five North Korean defectors — Colonel Choe Chu-hwal, Captain An Yong- kil, Junior Sergeant Choe Kwang-hyok of the Korean People's Army, county-level material distribution center manager Yi Sun-ok, and guard Choe Tong-chol of the State Security Department — by HANGUK ILBO; date, place not given]

[FBIS Summary] With regard to the fact that North Korea moved some 200 bombers and fighters from the rear and deployed them at three military reserve bases near the DMZ late October 1995, Choe Kwang-hyok said: "It seemed that Kim Chong-il was thoroughly preparing for war. Early in March the entire army received a special order to 'strengthen mining and striking exercises, sleep by day and conduct training by night.' Furthermore, Kim Chong-il's training instruction saying 'soldiers should properly manage existing weapons because we will reunify the fatherland with them' was conveyed in November. Thus, all fellow soldiers came to feel a sense of emergency, feeling that 'war is near at hand.'"

Meanwhile, An Yong-kil said: "The mobile exercise in late October was an unprecedented event. It is highly probable that a war will take place after late March, when 70 to 80 percent of the exercise will have been completed."

According to North Korean defectors' "unanimous testimony," North Korea began to create a war crisis mood in 1992, and amplified it to the extreme in March 1993, right after North Korea withdrew from the Nuclear Nonproliferation Treaty [NPT], and in July 1994 following Kim Il-song's death. On the night of 8 July when Kim Il-song died, North Korea changed the "semi-war state" it had assumed since its withdrawal from the NPT to "a state of war."

Regarding the war crisis, Choe Kwang-hyok testified: "During a military parade marking the anniversary of a victory (Armistice Day) on 27 July 1995, Kim Chong-il said

'We will have the next military parade after the reunification of the fatherland.' So I believed an all-out war would begin no later than early 1996."

North Korean defectors characterize Kim Chong-il as "a belligerent man who lacks capacity and leadership but has unique promptness in action" and stressed that "this is why the danger of war provocation has even increased." According to Choe Chu-hwal, most People's Army officers also evaluate Kim Chong-il as a person who "lacks generosity and capacity but has stalwart power." Choe continues by saying: "When Kim Il-song worried about a possible war following the peak of the arguments over the nuclear issue in 1993, Kim Chong-il reportedly demonstrated his braveness by saying that 'if a war takes place and we lose it, I will break the entire earth.' It is Kim Chong-il's strong point that while demonstrating his hardline externally, he induces the outside world to make concessions."

Meanwhile, Choe Chu-hwal considers North Korea's amplification of the war crisis mood to be "a high-level strategy to promote a U.S.- North Korea peace agreement and increase the people's alertness." He said: "War-related remarks by the North Koreans — and it has made many such remarks in recent days — can be construed as a 'card' aimed at motivating the United States and Japan to make tangible and intangible concessions." He continued by saying that "it is possible that North Korea's new military brains centering around Choe Kwang deployed weapons at the front 'to show something new' to Kim Chong-il." He then added: "It is not very likely that North Korea has recently redeployed armed forces and deployed weapons in the front in order to quickly infiltrate South Korea in an emergency."

What is noteworthy in connection with Choe Chu-hwal's remarks is that North Korean people and soldiers began to express dissatisfaction with their poor living conditions and the North Korean system in the late eighties. As a result, the military discipline and their loyalty to Kim Chong-il have weakened, and North Korea has tried to deter this by making more and more intense war-related remarks.

Choe Kwang-hyok stated: "These days, five or six soldiers per North Korean company desert from their barracks each year. Soldiers have lost their pride as fighters. Although the superior authorities urge them to firmly establish a view of armed reunification, soldiers doubt if they are able to conduct a war." He added: "There is a less than 30 percent probability of war."

An Yong-kil said that "only five or so of 100 soldiers may think they will die for Kim Chong-il" and that "if war takes place, North Korea will have difficulties, though it will not lose the war, because of the people's great dissatisfaction with North Korean society and because of extremely serious food problems." With regard to food and material shortages in the military, Choe Chu-hwal said that on an average, four or five soldiers in a company suffer from malnutrition and weigh 34 kg or less.

ROK: DPRK Defectors Describe 'Inflexibility' of DPRK System

SK0403061596 Seoul HANGUK ILBO in Korean 13 Feb 96 p 15

[Second in six- rpt six-part series of reports on interview with five North Korean defectors — Colonel Choe Chu-hwal, Captain An Yong-kil, Junior Sergeant Choe Kwang-hyok of the Korean People's Army, county-level material distribution center manager Yi Sun-ok, and guard Choe Tong-chol of the State Security Department — by HANGUK ILBO; date, place not given]

[FBIS Summary] The defection to the South by an increasing number of "educated North Koreans of good origin" indicates that the recognition of South Korea as a "shelter" is widespread among North Korean people. Choe Chu-hwal and An Yong-kil expressed concerns about North Korea's "inelastic social system," "unfair origin-oriented system," and intelligence agencies' surveillance, and they shared the opinion that "North Korean society will face danger if it continues to adhere to its current system."

In North Korea, smooth promotion requires "clean family origins" as far back as one's second cousins. Because of the fact that one of An Yong-kil's distant relatives once joined a group supporting the ROK Army during the Korean war, An's promotion in the military was restricted, despite his outstanding sincerity and ability, proved by as many as 13 citations he received while serving in the military. An stressed that "people's dissatisfaction with the origin-oriented system in their workplaces will never be eliminated in North Korean society."

Choe Chu-hwal testified: "Besides the unfair treatment based on one's origin and the inelastic social system that destroys one's incentive, tyrannical surveillance by intelligence agencies also prevents the development of the North Korean system." As an experienced ranking military cadre involved in foreign affairs, Choe was sent to the PRC to take charge of a joint venture with the PRC, where he happened to contact South Korean figures. Since he knew that he was under surveillance, he had "no choice but to escape" because he was afraid of being punished when he returned to Pyongyang.

Choe continued by saying: "About 10 percent of the cadres of the North Korean Ministry of People's Armed Forces Foreign Affairs Bureau studied in foreign countries such as Hungary and Poland, and most of them are subject to supervision by intelligence agencies such as the State Security Department. Their foreign business travels are prohibited now because they are believed to be apt to criticize the North Korean system and introduce Western ideas. Because of this surveillance system, sudden demotions and punishments of cadres at first-line organizations occur frequently, and this causes serious problems in implementing tasks by these organizations." Choe continued: "There is a tendency for intelligence agencies to focus on the quantity of their surveillance reports to superior offices, rather than on content. Important organizations including the military are very much dissatisfied with this tendency and even say that the State Security Department hurts rather than protects state security."

Meanwhile, as long as they are not so serious, mistakes by high-level figures, including Kim Chong-il, and their relatives are overlooked. An Yong-kil testified: "When a family member of a high-level figure makes a mistake, the wrongdoer's name is eliminated from his or her family registration, and the wrongdoer receives only a light punishment." He then said: "Accordingly, I do not think Hyon Chol-kyu, father of Hyon Song-il who recently defected to South Korea, or Hyon Song-il's uncle, Hyon Chol-hae, will suffer great damage."

Choe Chu-hwal said: "As the North Korean military and party's dependence upon Kim Chong-il is ever-increasing, military and party cadres report even trifling things to Kim Chong-il and act according to his instructions in all particulars, so as to lessen their responsibility." He added: "The inflexibility of both the administrative and social systems is hastening the ruin of North Korean society."

ROK: Deputy Head of DPRK'S Macao Mission Reportedly Recalled

SK2402082396 Seoul YONHAP in English
0818 GMT 24 Feb 96

[FBIS Transcribed Text] Hong kong, Feb. 24 (YONHAP) — North Korea recently called in the deputy chief of the North's de facto diplomatic mission in Macao apparently out of fear that he might defect to other country, sources here said Saturday.

An official of Chokwang Trading Co., which actually serves as Pyongyang's mission in Macao, admitted that the company's deputy head An Chin-u was recently recalled to Pyongyang but insisted that An returned to Pyongyang on business purposes.

The official refused to comment on whether An will return to Macao.

South Korean authorities are trying to gather information on the attempted defection by An, the sources said.

Reports have said that North Korea is recalling its diplomats and their dependents in the aftermath of recent series of defections by North Korean diplomats and a former wife of North Korea's leader Kim Chong-il.

ROK: DPRK Envoy to Zambia Called Home in Early Feb

SK2502043796 Seoul KYONGHYANG SINMUN
in Korean 25 Feb 96 p 1

[By reporter Yi Sung-chol]

[FBIS Translated Text] It has been confirmed that Kim Ung-sang, North Korean ambassador to Zambia, was summoned to Pyongyang early this month in connection with the defection of Mr. and Mrs. Hyon Song-il, third secretary of the North Korean Embassy, and North Korean agent [kongjak yowon] Cha Song-kun.

A Foreign Ministry official concerned on 24 February said: North Korean Ambassador Kim Ung-sang was summoned to Pyongyang early this month. North Korea has not appointed his replacement in protest against the Zambian Government for allowing Mr. Hyon Song-il and others to defect.

ROK: EU Demands KEDO Council Membership in Exchange for Funding

SK0403042596 Seoul HANGYORE SINMUN
in Korean 3 Mar 96 p 2

[By correspondent Pak Chong-mun from Tokyo]

[FBIS Translated Text] Through a report from Bangkok, ASAHI SHIMBUN reported on 2 March that as a condition for providing additional funds to the Korean Peninsula Energy Development Organization [KEDO], the EU is requesting that it be treated as a member of the council of KEDO, thus putting the ROK Government in a dilemma.

The EU received a request from President Kim Yong-sam — who is participating in the Asia-Europe Meeting [ASEM] being held in Bangkok — that it actively participate in KEDO. In this connection, the EU promised that it would provide funds under the condition that it become a member of the KEDO Council.

ASAHI SHIMBUN reported that if the EU becomes a KEDO Council member, the ROK's voice will be weakened, thus the ROK is faced with a difficult situation because it opposes an increase in the number of member countries on the KEDO Council, which is currently composed of the ROK, the United States, and Japan.

On the other hand, regardless of behind-the-scenes persuasion by the heads of the ROK and Japan for the Association of Southeast Asian Countries [ASEAN] to provide funds to KEDO, ASEAN has not showed any signs at all that it will provide such funds.

ROK: DPRK Secret Contact Attempts for Dialogue Ignored

SK0203064196 Seoul CHUNGANG ILBO in Korean 2 Mar 96 p 4

[By reporter Choe Won-ki]

[FBIS Translated Text] While South-North relations are in the worst deadlock, North Korea has attempted a secret contact asking for the resumption of South-North dialogue. This is drawing public attention.

Kim Kyong-ung, spokesman for the Ministry of National Unification [MNU], said on 29 February: "On 12 January, the MNU received a facsimile in the name of a North Korean figure proposing South-North dialogue. However, the government ignored the facsimile because its source was not clear and it had no credibility." On the same day, quoting a U.S. Government source, Japan's ASAHI SHIMBUN also reported: "Through a Korean-American, North Korea asked South Korea to resume inter-Korean dialogue in January, but the South side ignored it." Eason Jordan, vice president of the United States' CNN-TV, who met with Kim Yong-sun, secretary of Workers Party of North Korea in charge of policies toward South Korea, also said on 26 February: "North Korea expressed its willingness to resume inter-Korean dialogue."

The MNU regards North Korea's secret South-North dialogue offensive as Pyongyang's tactic of "passing the buck." That is, it is a trick to shift the responsibility of the suspension of South- North dialogue to Seoul, with no real intention of holding dialogue, thus promoting the improvement of Pyongyang-Washington and Pyongyang-Tokyo relations.

South-North dialogue is a virtual prerequisite that North Korea needs to meet before improving its relations with the United States and Japan. Accordingly, by dropping an informal suggestion for dialogue which it expects the South to reject, Pyongyang plans to use the South's rejection of dialogue as an excuse to bypass the obstacle of South-North dialogue. Regarding this viewpoint, authorities stress: "We hope Washington and Tokyo will not misconstrue North Korea's mean trick."

Observers say these moves by Pyongyang are also part of a political offensive against South Korea as it faces the 11 April general elections. Since the beginning of the year, North Korea has assumed an offensive aimed at undermining our general elections by sending letters to South Korea proposing "a joint meeting of South and North Korean political parties and public organizations." North Korea's recent attempt to hold secret contacts with the South can be construed as being part of this offensive.

Meanwhile, the government's position is that it will continue, in the future, to turn down any dialogue suggestion by North Korea that does not satisfy conditions for official South-North dialogue. A ranking MNU official stated: "During the third round of inter- Korean talks in Beijing, we expressed our position of resuming South-North dialogue on the Korean peninsula following a formal request from North Korean authorities." The official then stressed: "If North Korea truly wants to hold South-North dialogue, it should send us a formal message through official channels."

ROK: Dialogue Offer Viewed as Ploy To Advance U.S., Japan Talks

SK0303032996 Seoul THE KOREA HERALD in English 3 Mar 96 p 2

[Article: "Seoul Brushes Pyongyang Dialogue Offer Aside as a Mere Ploy To Advance Talks With U.S., Japan"]

[FBIS Transcribed Text] North Korea has recently sent a series of indirect messages on its readiness to resume inter-Korean dialogue, which South Korea rebuffs as a mere ploy to advance talks with the United States and Japan.

South Korean officials believe Pyongyang is attempting to put the blame for stalled inter-Korean talks on Seoul by offering to resume dialogue in a way to ensure South Korea's negative response.

They also indicate Western media have been playing into the hands of North Korea in reporting on what they see as the North's initiatives or readiness for reopening talks with the South.

A spokesman for the National Unification Ministry Wednesday dismissed an alleged expression by senior North Korean officials of the willingness to resume inter-Korean talks, which was conveyed to Seoul by a CNN executive.

Eason Jordan, a CNN senior vice president, who visited North Korea late last month, was quoted as telling South Korean Unification Minister Kwon O-ki that North Korean Workers' Party Secretary Kim Yong-sun expressed the willingness during a meeting with him.

"We regard it as another repetition of the North's propaganda, which does not deserve consideration," said Kim Kyong-ung, the ministry spokesman.

Kim also revealed a fax allegedly signed by a North Korean official and sent to his ministry in January to call for inter- Korean talks on helping flood victims in the North.

He said his ministry ignored the offer as it had doubts on the reliability of the fax whose source was unclear.

His disclosure followed a report by a Japanese newspaper that South Korea turned down a North Korean proposal to resume inter- Korean dialogue delivered to Seoul by some Korean-American figures in January.

The spokesman emphasized Seoul has so far received no message from Pyongyang which can be regarded as a formal offer to resume dialogue since last October when inter-Korean talks on rice aid to the North broke off in Beijing.

After receiving 150,000 tons of free rice from South Korea, North Korea rejected a South Korean demand that the two sides hold government-to-government talks in a place on the Korean Peninsula before further shipments of rice can be sent to the North.

South Korean officials maintain the position that they will not respond to any proposal from the North if it fails to meet the condition of making a formal offer to hold inter-Korean talks at a site on the peninsula.

They indicate if North Korea has changed its hostile attitude toward the South, it has no reason to send signals of the change through Western news media.

Unification Minister Kwon was quoted as saying Seoul will wait and see if the North has changed its attitude when he met with Jordan.

Behind the recent series of informal offers to reopen dialogue with Seoul is apparently Pyongyang's calculation that it can bypass a major stumbling block to improving ties with Washington and Tokyo by citing Seoul's failure to respond to them.

South Korean officials caution that Washington and Pyongyang should not misinterpret such a North Korean ploy.

South Korea has insisted that progress in inter-Korean dialogue- precede improvement in North Korea's ties with the United States and Japan.

But recent reports have suggested the two major allies of Seoul may accelerate their approach toward North Korea after South Korea's parliamentary elections in April when they feel less pressure from the administration of President Kim Yong-sam.

Observers in Seoul indicate the recent North Korean move may also be aimed at destabilizing the domestic situation in South Korea ahead of the elections.

When he rejected the alleged North Korean readiness for dialogue with the South, the Unification Ministry spokesman also termed it as part of Pyongyang's scheme to promote private-level talks over the head of the South Korean Government.

ROK: DPRK General Holds Position Despite Nephew's Defection

SK0403041196 Seoul KBS-1 Radio Network in Korean 0200 GMT 4 Mar 96

[FBIS Translated Text] It has been confirmed that Hyon Chol-hae, general of the North Korean People's Army who is the uncle of Hyon Song-il, former North Korean diplomat to Zambia who defected in January, is still up and running.

On 3 March North Korea's Central Broadcasting Network reported that along with high-ranking military officers including Vice Marshal Yi Ha-il, Hyon Chol-hae, general of the North Korean People's Army and director of the Logistics General Bureau, received Kim Chong-il, who was carrying out on-the-spot guidance at Flying Unit 436 on 29 February.

Thus, it has been confirmed that Hyon Chol-hae is still up and running, but Hyon Chol-hyu, the father of Hyon Song-il who was the responsible secretary of the South Hamgyong Provincial Party Committee, was purged before or after Hyon Song-il's defection.

ROK: Tokto Island History, Dispute With Japan Reviewed

SK0203053996 Seoul THE KOREA HERALD in English 2 Mar 96 pp 2, 4

[Article by staff reporter David Cho: "Tokto, Tiny and Barren, Makes Huge Diplomatic Splash"]

[FBIS Transcribed Text] Tokto reposes alone in the East Sea, in relative obscurity during normal times. But every once in a while, millions of Koreans and Japanese turn their attention to this tiny archipelago to covet its rocky clefts.

It is not that these islands are particularly valuable in economic terms; in fact, from a distance, Tokto looks like clumps of rock poking their noses just above the waves.

But the desire to possess these "rocks" have caused so many diplomatic crises between Korea and Japan that, during negotiations in the 1960s, one Japanese delegate suggested that it might be better just to dynamite Tokto into the sea.

Today, Tokto, called Takeshima by the Japanese, will be a major issue undergirding the summit between President Kim Yong-sam and Japanese Prime Minister Ryutaro Hashimoto in Bangkok. The talks were nearly canceled because of the recent rekindling of the Tokto conflict.

Since both leaders asserted before the meeting that they will renew their claims to the islands, a solution is not expected to emerge.

Tokto: A History of Dispute

Territorial disputes over the islets actually date back centuries. History records a sample in 1693, when General An Yong- pok of the Choson Dynasty descended on Tokto with warships to expel a few Japanese peasants who had landed on its shores to do some fishing.

While more recent disputes do not involve military confrontations (the Tokyo Government has ruled out the use of force in retaking the islets), an atmosphere of territorial conflict still surrounds the islands.

The latest round in the dispute began when plans to declare an exclusive economic zone (EEZ), in accordance with the UN Convention on the Law of the Sea, leaked out of Japan. The EEZ would give Japan exclusive fishing and exploitation rights to waters 200 miles off its coasts.

The Japanese EEZ encompassed the disputed islets, which lie almost midway between Korea and Japan.

The Korean Government, in response, announced its own plans to build a wharf on Tokto. Japan objected and a fury of protests erupted throughout Korea; Japanese flags and effigies of Prime Minister Hashimoto burned in Seoul, President Kim canceled a meeting with Japanese political leaders.

South Korea also held military exercises off Tokto's shores.

In ensuing talks, delegates from both countries while reaffirming their claims to the islets, agreed to settle fishing rights and EEZ issues through negotiation; the topic of Tokto, however, would be carefully left out.

Officials at the Japanese Embassy in Seoul refused to comment on the latest crisis over Tokto, citing that the issue was "extremely delicate." One secretary, who asked to remain anonymous, said he hoped that the commotion would die down soon, but added, "I don't see how this issue will ever be solved."

Forcing Life Into It

Koreans have tried to settle the issue in their own way by trying to force Tokto, which is categorized as "rocks" by the UN Convention on the Law of the Sea, into the inhabitable category of islands.

Over the past few decades, in an effort to establish a life- giving environment on the island and to solidify their claims, Koreans have engaged in nationwide tree-planting campaigns on Tokto. Recently, the government announced plans to build a water- purification system on the island by March 22.

But Prof. Yu Pyong-hwa, who teaches international law at Korea University, believes that these efforts, while noble, will fail to change Tokto's barren status.

He cited Article 121, paragraph three of the Law of the Sea, which states: a rock which cannot sustain human habitation or economic life (meaning fresh water and farmland) of its own cannot be considered inhabitable territory.

"Even if some artificial arrangement is made, if we consider the spirit of this article, we cannot say that Tokto fulfills these conditions," he said.

Most of the trees that were planted died anyway for lack of arable soil on the islands.

Resolving the conflict by examining historical documents has not been successful either. Both countries have disparate historical records that demonstrate Tokto is theirs.

Existing treaties are also worded a bit vaguely when Tokto is mentioned in specific, like the Cairo and Potsdam Declarations and the San Francisco Peace Treaty which required Japan to return territories to Korea, China, and other Asian nations at the end of World War II.

"At the end of these treaties there is a statement that says this was not the final arrangement of the return of territories because there were so many territorial problems, even thousands of islands around Japan," Prof. Yu explained.

Since these documents are subject to interpretation, the islets seem destined to agitate Korea-Japan relations for a long time to come, until one party yields.

Why These Rocks?

Foreigners unfamiliar with Korean-Japanese relations may be puzzled why there is so much debate over a clump of volcanic rocks in the middle of the sea.

Prof. Yu explained that the main reason for the conflict over Tokto is nationalism. Haunting memories of the Japanese occupation have made Koreans sensitive to any sign of the resurgence of "imperial Japan" be it over city, land or rock.

Still, there is actually little economic value in what Korea and Japan are fighting over.

Unspectacular from a distance, the islets hold hidden treasures only to patient tourists of the sea.

A volcanic mass, which forms an underwater arch between Tokto's two main islands, stretches over a rocky sea terrain teeming with squid, pollack codfish, and other forms of marine life.

Other than that, Tokto offers visitors the spectacle of water- shrouded caves, some outlandish cliffs and rock formations, a garrison of Korean troops watching for any movement from the east, and a few hermit fishermen trying to make a living.

ROK: No Decision Made To Resume Suspended Japan-DPRK Talks

SK0203032796 Seoul KBS-1 Radio Network in Korean 2100 GMT 1 Mar 96

[FBIS Translated Text] The Foreign Ministry has revealed as untrue a TOKYO SHIMBUN report that a decision has been made to resume Japan-DPRK talks to establish diplomatic relations. The talks were suspended in 1992. So Tae-won, spokesman for the Foreign Ministry, said that after confirming this matter with the Japanese Foreign Ministry side, it has been confirmed that the Japanese Government did not have any contacts with North Korea regarding the resumption of talks to establish diplomatic relations.

TOKYO SHIMBUN had reported on 1 March that relevant officials of North Korea and Japan have been holding secret contacts in Beijing since April last year; that they have agreed to hold talks to establish diplomatic relations; and that the North side had proposed that the talks be held in Pyongyang and Tokyo alternately.

ROK: Kim Yong-sam Vows 'Strong Action' if Japan Continues Claim

SK0203041496 Seoul THE KOREA TIMES in English 2 Mar 96 p 2

[FBIS Transcribed Text] President Kim Yong-sam has said that he will take stern and strong action if Japan continues to "preposterously" claim territorial rights over Tokto, rocky islets in the East Sea.

Saying that Tokto is an integral part of South Korean territory, President Kim said the government has to take resolute action if Japan continues to infringe upon "our sovereign right."

Kim made the remarks in response to questions by CHUNGCHONG-ILBO and MAEIL SINMUN, local dailies, for special interviews for their 50th anniversary issues.

Kim warned some Japanese politicians for having worsened the bilateral relationship with their irresponsible remarks distorting facts regarding the past history'and Tokto island.

"Such a move is not good for Japan either," he added.

Then Kim stressed that the two neighbors should focus their efforts on setting up future-oriented relations based on correct realization of the past and the present.

As for the planned declaration of the exclusive 200-nautical mile economic zones by South Korea and Japan, the President said, "The government will do its best to protect its national interests in the course of negotiations with the countries involved."

Commenting on domestic political issues, Kim said he did not have a specific person in mind when he earlier stated that the presidential candidate of the ruling New Korea Party would be a "surprisingly" young figure.

"I was referring to my efforts to clear the way for the rise of a new generation in politics," he added.

Of the qualifications for the standard-bearer of the ruling party, Kim said, "He must be a figure with patriotism, moral integrity and capability to push ahead with the current reform drive."

The next presidential candidate of the NKP, who will be elected through an open, democratic competition, should also have strong leadership skills, considering the confrontation between Snuth and North Korea.

Expecting the ruling party to win easily a stable majority in the April 11 general elections, he said that the priority of his administration's policiesi will be on reform based stability and Segyehwa, or globalization after the polls.

President Kim, however, did not mention such "delicate" issues as his campaign funds for the last presidential election in 1992.

Kim's critics have charged him with refusing to clarify the allegation that he had received far more money from jailed ex- president No Tae-u for his successful

1992 presidential campaign than Kim Tae-chung, who confessed to having received 2 billion won from No.

On the country's economic situation, the President said, "The general Korean business community is not expected to experience a drastic setback because of continued investments in industrial facilities."

But the situation of small businesses is not in good shape, and therefore the government is mapping out a special plan to salvage them.

ROK President, Japanese Premier Discuss Tokto Issue in Bangkok

SK0203125396 Seoul YONHAP in English 1237 GMT 2 Mar 96

[FBIS Transcribed Text] Bangkok, March 2 (YONHAP) — South Korea and Japan on Saturday afternoon reaffirmed their existing friendly cooperative relations and agreed that they would strive to resolve the frictions stemming from the issue of Tokto, a rocky islet in the East Sea [Sea of Japan].

At a Korea-Japan summit meeting here, President Kim Yong-sam and Japanese Prime Minister Ryutaro Hashimoto shared the view that it is not desirable for the two countries to have an uncomfortable relationship any longer because of the Tokto question.

The summit began at 5 PM local time at Hotel Sheraton Bangkok where President Kim was staying during the first Asia-Europe meeting.

The two leaders, however, reiterated their respective stands over the Tokto issue.

President Kim stressed it is clear that either historically or under international law, Tokto has been the territory of Korea. Most of all, Kim said, Korea is in reality possessing the islet.

"Our country, in its part, cannot tolerate and highly regret the Japanese claim to Tokto," the president said.

Hashimoto, on the other hand, said that apart from the Tokto question, there are a host of problems for the two neighboring countries to resolve, though, he said, the Japanese Government's position toward the islet issue has been "consistent."

However, the two leaders agreed that their countries would begin at an early date negotiations for determining the boundaries of their respective exclusive economic waters, Chongwadae [presidential offices] Spokesman Yun Yo-chun said.

Yun said Kim and Hashimoto also agreed on the need for the two countries to make efforts so that a satisfactory level could be reached in the question of revising the Korea-Japan fishery agreement.

The two leaders shared the view that their countries should use the occasion of the birth of the Hashimoto administration in Japan to promote a future-oriented relationship based on a correct insight into the past.

Regarding the North Korean question, President Kim emphasized the principle that "Japan should improve its relations with North Korea in harmony with a progress in inter-Korean relations and in a way that contributes to peace and stability on the Korean peninsula."

Prime Minister Hashimoto agreed, saying that his administration would consult and cooperate with South Korea more closely than ever in policies toward North Korea.

President Kim called on Japan to be more sincere toward easing the chronic trade imbalance in Japan's favor, and the Japanese premier said he would try to rectify the imbalance through deregulation and closer investment cooperation.

The two leaders agreed to further solidify their bilateral cooperative system in connection with the activities of the Korean Peninsula Energy Development Organization (KEDO).

ROK, Japan Agree To Start Negotiations on EEZ Boundaries

SK0403015496 Seoul THE KOREA TIMES in English 4 Mar 96 p 2

[By staff reporter Son Ki-yong]

[FBIS Transcribed Text] The Bangkok summit between President Kim Yong-sam and Japanese Prime Minister Ryutaro Hashimoto has helped restore the two countries' alliance damaged by verbal confrontations over the sovereignty of Korea's easternmost island of Tokto but left the thorny issue burning internally.

Seoul and Tokyo headed off a clash over the island at Saturday's summit talks as Kim and Hashimoto told each other what they were told by their aides.

Kim declared Korea's sovereign rights over the island in the East Sea (Sea of Japan) once again while Hashimoto refrained from directly mentioning the issue and instead won Kim's nod on an early start of negotiations aimed at drawing maritime boundaries in tandem with their plans to declare the 200-nautical mile exclusive economic zone (EEZ).

Even though Hashimoto declared that Japan's position on the island is consistent, he apparently focused on the restructuring of the fishing order in the East Sea.

As Kim told Hashimoto that the EEZ and territorial issues should be dealt with separately, Hashimoto didn't lose the chance and proposed that the EEZ talks begin as soon as possible.

"As Your Excellency said, both countries should start negotiations shortly to set EEZ boundaries," Hashimoto said, winning Kim's nod.

Chongwadae spokesman Yun Yo-chun, who briefed reporters on the summit talks, said that Kim and Hashimoto agreed to start EEZ- related negotiations soon.

However, Kim's nod to Hashimoto's suggestion runs counter to Seoul's basic position that it should not hurry negotiations to set EEZ boundaries, which are closely related to the fishing order around the Korean Peninsula.

The current fishing regime between Korea and Japan grants the "flag state" the right to crack down on vessels engaging in illegal fishing, thus making it possible for Korean vessels to violate Japanese waters without facing major checks by Japanese patrol boats.

Seoul doesn't feel the necessity for revising the fishing regime shortly, which has been beneficial to the Korean side. Seoul's EEZ- related legislation process will also take time, making the full- fledged talks start late this year, officials said.

Meanwhile, Hashimoto's remarks apparently reflected Japan's fishing industry's strong demand that Korean vessels stay off from "their waters." Japan wants an early conclusion of EEZ talks because once the EEZs are declared, the "coastal state" possesses the right to exclusively regulate fishing and other natural resources.

Besides the thorny issue with Japan, Korea also faces fishing disputes with China.

Korean waters have been frequently violated by Chinese vessels. To stop these violations, Seoul has called on Beijing several times to sign a fishing agreement.

The complex situation made Seoul seek to establish a comprehensive fishing order in the waters around the Korean Peninsula in close negotiations with both Japan and China.

Therefore, any conclusion of talks only with Japan will result in the deprivation of Korea's existing rights while leaving Chinese vessels to continue to violate Korean waters.

Officials here think that it might take years before the conclusion of EEZ talks because there are many hurdles lurking in the way of bilateral or trilateral talks.

The dispute over Tokto is expected to arise sporadically during EEZ negotiations whenever Japan insists that the island be located within its own EEZ.

Seoul officials believe that China holds the key in an early settlement of EEZ-related talks.

"If China signs a fishing regime with Korea and agrees on the 'coastal state' principle, we don't have any reason to hesitate to revise the current fishing regime between Seoul and Tokyo," an official said.

ROK President Meets PRC's Li Peng After ASEM Session

SK0103131296 Seoul YONHAP in English
1305 GMT 1 Mar 96

[FBIS Transcribed Text] Bangkok, March 1 (YONHAP) — President Kim Yong-sam, attending the first Asia-Europe Meeting (ASEM) here, met with Chinese Premier Yi Peng at Sheraton Hotel late Thursday evening to exchange opinions on issues of mutual concern.

At the one-hour-long meeting, Kim explained to Li the Korean peninsula situation and Seoul's stance on the improvement of inter- Korean relations. The head of state asked China's indirect assistance for the easing of tensions on the Korean peninsula.

Li responded that China wishes peace and stability on the Korean peninsula, and problems of two Koreas should be addressed through direct dialogues between South and North Korean authorities.

Both Kim and Li expressed their satisfaction on the sharp growth of bilateral trade volume since the opening of diplomatic ties between Seoul and Beijing in 1992, and agreed to further build up the bilateral substantive cooperation.

The two leaders also shared an opinion to cooperate each other so as to kick off a project to jointly develop medium-sized passenger airplanes within the year. The joint project has been driven in accordance with the agreement reached in 1993 between the two country's leaders.

ROK: Buddhists Denounce U.S. Involvement in Kwangju Uprising

SK0103114596 Seoul KBS-1 Radio Network
in Korean 1020 GMT 1 Mar 96

[FBIS Translated Text] The Buddhist Humanitarian Committee and other Buddhist organizations have issued a statement in reaction to the U.S. media report that the U.S. Government approved the suppression on the Kwangju uprising. The organizations strongly denounced the U.S. Government in today's statement and demanded that the United States take the responsibility for the Kwangju massacre. They also urged the people to join the pannational anti-American movement.

ROK: Students Demonstrate Against U.S. for Kwangju Involvement

SK0103113396 Seoul KBS-1 Radio Network in Korean 1021 GMT 1 Mar 96

[FBIS Translated Text] Some 300 members of the Federation of University Student Councils in South Cholla Province [Namchongnyon] held a violent demonstration today denouncing the U.S. involvement prior to the 18 May incident. The Namchongnyon students attempted to call on the American Center in Yangnimtong, Kwangju, to express their protest at 1500 this afternoon, but were stopped by the police. They occupied the adjacent streets and held a demonstration for an hour. The students urged the U.S. Government to officially apologize for backing the 18 May massacre of Kwangju citizens and disclose related information.

ROK: Newspaper Editorials on Results of ASEM Meeting

SK0303083096

[FBIS Report] On 3 March several of the major ROK dailies published editorials on the results of the Asia-Europe Meeting [ASEM] held in Bangkok, Thailand on 1-2 March.

KYONGHYANG SINMUN carries on page 3 an 800-word editorial entitled "'Handshake' Between Asia and Europe." The editorial starts off by noting the significance of the ASEM which "opened for the first time an official dialogue between the Asian and European continents on an equal footing." It mentions that considering the fact that many European countries ruled Asian countries at one time, Asia's status has greatly improved. The editorial notes that the object of the meeting was "to achieve mutual growth and development through cooperation between the two continents." It comments on the significance of the ASEM to the ROK in particular, noting that it was decided that the third ASEM slated for the year 2000 be held in the ROK. The editorial concludes by noting that the ROK should use this "new international cooperation arena" to settle peace on the Korean peninsula.

HANGYORE SINMUN carries on page 3 an 800-word editorial entitled "We Should Make 'ASEM' Have Substance." Then, it lists the countries that took part in ASEM, what was discussed, and the results achieved. It says that the world's single superpower, the United States, did not participate in the meeting, and that the meeting ended merely as a "party of words." The editorial attributes this to the fact that Asia and Europe have different geographical and historical backgrounds and that the two sides do not have pending issues to resolve right at this moment. In spite of this, the editorial believes that the meetings of heads of state of Asia and Europe was of great significance. Also pointing to the fact that the ROK will host the third ASEM, the editorial says this proves that the ROK's national strength has grown very much, and that it will be a good opportunity to "free ourselves from the shadow of the United States," in the long run.

CHUNGANG ILBO carries on page 6 a 600-word editorial entitled "New Era of Cooperation Between the ROK and Europe." The editorial starts off by saying that "the ROK quietly achieved diplomatic results behind-the-scenes of the ASEM," and notes that the ROK and the EU met separately and signed the "Agreement on Economic and Political Cooperation." The editorial elaborates on the significance of concluding this agreement saying it is future- oriented making the ROK prepare for the 21st century. It concludes that, in addition to economic and political cooperation, the ROK must also create opportunities for cultural and spiritual exchanges with Europe.

TONG-A ILBO carries on page 3 a 600-word editorial entitled "Asia and Europe Opened a New Horizon" referring to the "new horizon of cooperation" opened by the ASEM. The editorial notes that judging by from the results achieved, it seems that the ASEM could develop into a firm cooperative system. Also mentioning that the ROK will host the next ASEM, it concludes by noting that the government and business circles are faced with the task of working further so that "the ROK can play a greater leading role in developing cooperative relations between Asia and Europe."

ROK Editorial Assesses Significance of ASEM

SK0203022896 Seoul CHOSON ILBO in Korean 1 Mar 96 p 3

[Editorial: The Meeting Between Asia and Europe]

[FBIS Translated Text] The Asia-Europe Meeting (ASEM) opened in Bangkok today. In addition to being the first international conference between the two continents, ASEM is attracting attention because the world is interested in what role Asia and Europe expect to play in the rapidly changing international order and what prospects they expect to pursue. During the past few centuries, Asia did not play a significant role in the international arena and history, but since the turn of the 20th century, Asia has achieved drastic development following political and economic independence in many countries.

During the latter half of the 20th century, particularly, Asian countries adopted strong economic development policies and recorded the most dynamic economic and social development in international economic history to emerge as pillars of the international economy. Following the collapse of the socialist countries, Asia has become the third angle in the triangle formed with Europe and North America. In this regard, the ASEM is essential and historic. ASEM may develop into an important variable in the order of international power.

Europe needs Asia not, as it did in the past, as a colony, but as a new partner. Asia also needs European cooperation to propel its development and maximize its potential. Therefore, the ASEM can be said to be historic and may present the outline for a stable triangular international order. However, the third link is still weak in its reliability.

Economic relations and interdependence between the two continents are growing rapidly, but Asia and Europe have their own tasks. Europe is in the long and difficult process of forming a union, which is accompanied by the difficult task of overcoming diversity and differences. Asia has even more diverse cultural and religious differences, compounded with the gaps formed from the countries being at different stages of economic development. It is very difficult for Asian countries to derive a common interest. On top of this, the United States has a skeptical and sardonic view on whether Europe and Asia can successfully establish a separate political and economic cooperation system without the United States.

Will ASEM become what Brzezinsky [name as transliterated] described as, "a gathering of countries that are on the rise in economy, but politically unstable and without strong drive" or will ASEM successfully organize itself without the United States to establish a triangular power system in the international order? This will depend upon the leadership groups and economic leaders of the two continents.

The ASEM thus should transcend the exclusive regionalism and seek multilateral and comprehensive cooperation in security, economy, and other aspects so as to become an important pivot for the multilateral and intercontinental cooperation system. For the ROK, it should maintain and develop the traditional cooperation with the United States and Japan, and take the initiative to adapt itself in the changing new relations between Asia and Europe.

ROK: National Congress for New Politics Announces Economic Policies

SK0203045596 Seoul THE KOREA HERALD in English 1 Mar 96 p 2

[FBIS Transcribed Text] The main opposition National Congress for New Politics, which is vowing to give top priority to economic issues, promised price stability, tax reform and support for small businesses yesterday.

In announcing a package of economic policies as its campaign pledges, the main opposition party said it will reduce budgetary waste by replacing the government budget for a single fiscal year with one that covers several years.

The campaign pledges could be implemented if it wins the parliamentary elections next month and the presidential election next year.

The National Congress for New Politics said it will reduce the issuance of bonds by the government and the influx of foreign capital to restrict growth in money supply.

By improving the management of government-invested corporations, it said it will remove pressure on them to raise prices.

It also promised to enact a law regulating the dominance of the market by a few corporations and promote the fair trade of industrial products.

All these efforts, the party said, will help stabilize consumer prices.

To protect the middle and lower classes it said it will lower the tax rates of wage and salary income and exclude this in come from the global income for the application of lower progressive rates.

It also promised to abolish special excise taxes on refrigerators, washing machines, TV sets and other home appliances, which are no longer luxury items in Korea.

To boost investors' sentiment, it said it will lower corporate and business income tax rates.

It said it will halve the value-added tax, whose rate currently stands at 10 percent.

While promising tax cuts, the main opposition party did not say what it will do about the subsequent drop in the government's revenues.

The only explanation it offered was to prevent a drop in revenues from the value-added tax by making it difficult to dodge tax payments.

It offered a novel idea of turning receipts into lottery tickets as a means of preventing retailers from dodging taxes. Purchasers would demand receipts, forcing retailers to report their sales to the tax office faithfully.

To support small corporations at the risk of going belly up, the main opposition party proposed the creation of a fund for them by the government.

It promised to make it easier for bills issued by small corporations to be discounted and allow small technology-intensive corporations to borrow money by offering their patents as collateral.

Other measures the main opposition party offered to help small businesses included incentives to workers to be recruited by them and the improvement of government procurement in favor of their products.

It also promised to replace the special presidential order on the use of real names in financial transactions with legislation, strengthen the power of the Fair Trade Commission and create a trade representative's office.

ROK: Kim Tae-chung's Strategy for General Election Outlined

962C0018B Seoul CHUGAN CHOSON in Korean 8 Feb 96 pp 16-17

[By reporter Kim Nang-ki: "Kim Tae-chung Issues Special Order: 'Keep the Capital Region to the Last' — an Emergency Order to Beat Back the 'KYS Gust'... Mounting Head-to-Head Fight with Message of Solidarity Between Generations, the Young and the Middle-Aged"]

[FBIS Translated Text] **For Kim Tae-chung [KTC], the most important strategy against President Kim Yong-sam [KYS] still is mounting a KYS-KTC showdown. He already has embarked on operations in that direction. The way he is escalating his rhetoric these days, pouring out new messages in succession—political colors, stability, alleged cabinet-system conspiracy, etc.—precisely bespeaks it.**

KTC, president of the National Congress for New Politics [NCNP] said at a meeting of the party Guidance Committee on 24 January that "we know that President Kim has all the power and money he needs. Still, the way he is fighting for the upcoming general election defies imagination." He was referring to the "gust" strategy President Kim is pushing these days as if to crush everything in its way, as seen in his recent moves such as the embracing of former Prime Minister Yi Hoe-chang and former Rep. Pak Chan-chong into the New Korea Party [NKP].

President Kim tentatively named Yi to chair the NKP Election Committee, and Pak to head the capital region election committee, thus setting off his policy of mounting the ruling party's general election campaigns under Yi's leadership. The strategy is of course aimed at control of the capital region. This precisely is the reason why the KTC camp is so nervous about it. The capital region is the key region, its districts being crucial for KTC as well; his political life is at stake there. He has been saying that if his party wins about 55 seats there to add to the anticipated landslide in the Honam region, the NCNP will have no problem winning 100 seats in the National Assembly, including national-constituency seats. He is urging his followers to press an all-out campaign, saying "we must take at least 100 seats or one third of the total number of seats if we are to hold our line against any constitutional amendment moves and can respond to them with the initiative after the election." The capital region, no doubt, is that crucial.

To roll back President Kim's big push for the capital region, KTC inevitably needs to map out his countermeasure. He insists that 'the Yi Hoe-chang - Pak Chan-chong card' will have little effects on the elections.

"Kim Han-kil - Kim Min-sok Card under Study"

Yi Hae-chan, head of the NCNP campaign planning group, said that "a poll we conducted immediately after Yi Hoe-chang joined the NKP showed the pros and cons of his action making up an equal share at 25 percent each, and the remaining 50 percent having no answer." "Judging from this," he added, the joining of Yi and Pak in the ruling party is "unlikely to become a factor in the election." Meanwhile, an aide close to KTC said that "Yi's trademark was his image as a man of integrity who tried to put the brakes on President Kim's self-righteousness and arbitrariness. Now that he has joined the ruling party, that trademark apparently is about to lose its attraction." He was saying that Yi's joining in the NKP will contribute nothing to its vote-getting power. Senior leaders in the NCNP, including Kim Sang-hyon and So Se-il, also said that "Yi's popularity is a bubble popularity which is yet to be verified." "His joining in the NKP cannot become a factor influencing the elections in any big way, although it may have some effects," they insisted. Some NCNP assemblymen observed that "if the move was right before the general election, it could be more effective. It came too early, though."

However, elections in the capital region's districts are in many cases determined by a margin of 2,000 to 3,000 votes. Considering this, one cannot say that the NCNP is feeling no pressure at all. KTC's reaction to the joining of Yi and Pak in the ruling party was indicative of the NCNP's plight. He bitterly denounced their political behavior, accusing them of abandoning faith for the sake of self-centered career interest. Pak Chi-won, NCNP spokesman, is also making comments attacking them whenever he has the opportunity to do so. Their purpose is to disparage the two somehow or other.

First of all, in setting up its election committee, the NCNP is studying its strategy from every angle for a countermeasure to fight off the challenges from the Yi Hoe-chang-led NKP campaign organization. Earlier it had planned to name Chong Hui-kyong, vice chairwoman of the Guidance Committee, to head its election committee, in an effort to set up a unique campaign with the focus on women voters by thrusting her—who formerly served as the principal of Ehwa Women's High School, and as a member of the delegation to the North-South Korea Red Cross Talks—into prominence. But this plan is under review now as Yi Hoe-chang and Pak Chan-chong have agreed to lead the NKP campaigns as chairman of its election committee and the capital region election committee, respectively.

Since Yi and Pak belong to the old-age group, the NCNP, with that fact in mind, is studying the possibility of exceptional promotions lifting some young and fresh figures to campaign posts. Yi Hae-chan, planning chief, disclosed that "in short, it is possible that we appoint novelist Kim Han-kil, who recently joined our party, chairman of the NCNP election committee, and name Kim Min-sok, current chairman of the party chapter of Yongdungpo-B District and former president of the Seoul National University student body, to head the NCNP capital region election committee." Behind this move is the consideration that the making of the election committees is a major element in building the image of a party about to mount its campaigns.

At the same time, the NCNP is pushing the work to form "the young candidate camp" and "the middle-age candidate camp," and to have the candidates of the two groups map out strategies jointly and help build their image mutually. The plan calls for dividing candidates in the capital region's districts into two groups—candidates in their thirties and forties into the young group and those in their fifties and sixties into the middle-age group. This plan is, in part, intended for enhancing the NCNP message of intergenerational solidarity against the NKP's change-of-generation plank. In a nutshell, it means that Chu Mi-ae, a candidate in her thirties running from Seoul's Kwangjin District, and Cho Se-hyong, in his sixties and running from the neighboring Songdong District, for instance, will stump for each other.

This strategy also suggests that the NCNP is conscious of the effects of stumping in campaigns. Party officials observe that if Yi Hoe-chang and Pak Chan-chong make stumping appearances, it will have an impact on the morale of NKP candidates and the solidarity within the ruling party. "Stumping itself is not a major factor, but if we should fail to do it properly, it will have demoralizing effects on our side," says Mun Hui-sang, planning and coordinating director. He is saying that candidates always need to find new ways of stumping, if they do not wish to be losers in the psychological war of election.

Nonetheless, KTC's biggest and most important strategy against President Kim still is mounting a KYS-KTC head-to-head fight. This strategy pursues "plus something"—that is, winning over uncommitted votes in addition to the solid votes of those from the Honam region.

A Wish for Friction Among NKP Presidential Aspirants

In this strategy, KTC will, first of all, attack President Kim directly and head on, then lead the campaigns into a two-party confrontation, NKP vs. NCNP. He already has embarked on operations in that direction. The way he is escalating his rhetoric, pouring out new messages in succession—political colors, stability, and alleged cabinet system conspiracy—precisely bespeaks it. His message on political colors is, in part, aimed at raising controversies over the true identity of the NKP so as to split the stabilized, conservative strata that traditionally have constituted the power base of the ruling camp. But analyses indicate that his more important aim is to keep the barrage on President Kim, thereby casting the fact that KYS and KTC are the central players on the political stage into sharp relief. His argument on stability reveals his quest of two-party political system even more outspokenly. He insists that only when an opposition party strong enough to check the ruling party emerges will it be possible to stop President Kim's self-righteousness and arbitrariness, and to usher in an era of dialogue between the government and the opposition. The same thing can be said about his allegation of cabinet-system conspiracy. He alleges that President Kim, in case of defeat in the general election, is going to join forces with the United Liberals and Democrats and push for a shift to cabinet system.

KTC's strategy to lead the political situation into a confrontational setting in which he and KYS are the central players is seen more clearly in his argument for an offensive by pro-democracy forces. He says: "Whether in the ruling party or the opposition now, those who fought in the 29 June [1987] pro-democracy movement should act as the main axis, checking each other on whatever they should do so, and cooperating with each other the same way." "That is the only way for both President Kim and me to be happy," he asserts.

In addition, it is said that KTC will continue his dogged attack on President Kim's maladministration. The list of targets includes, among other things, North-South Korea relations, economic problems such as bankrupt medium and small industries, the issue of campaign funds received from No Tae-u in the 1922 presidential race, and the issue of introducing a special prosecutor system in the 18 May [1980] Kwangju incident case. In each case, the focus will of course be on promoting two-party system.

At the same time, he is staking his hopes on "side effects" taking place within the ruling camp, such as friction and feud among presidential aspirants, it is said.

His calculations are that if frictions should emerge among the plural presidential aspirants, including those newly embraced into the NKP and leaders who have been in the ruling party from the beginning, the NCNP will automatically profit from it. In this respect, especially, NCNP officials insist that the possibility of their party having such a windfall is very high.

ROK: Yi Hoe-chang 'Promising Candidate' for 1997 Election

SK0303040296 Seoul THE KOREA HERALD in English 3 Mar 96 pp 2, 5

[Article by staff reporter Choe Sung-chol: "Yi Hoe-chang Projected as Presidential Hopeful"]

[FBIS Transcribed Text] Is Yi Hoe-chang the long-awaited savior to redeem South Korean politics from corruption or just another clever politician trying to come to power in disguise?

While it is still too early to see how Yi will fare in politics, or who he really is, observers say he has already shown some original characteristics that set him apart from existing politicians.

And the popular ex-premier, also known as "Mr. Clean," has been the talk of the town since he was welcomed back to President Kim Yong-sam's ruling camp as the ruling party's chief campaign manager in January.

For one thing, since he joined the ruling New Korea Party to lead its campaign for the April general elections, he has not been afraid of making remarks on several sensitive issues which the party was reluctant to talk about.

He puzzled members of his party when he acknowledged opposition assertions that the elections in April is an interim vote on the President's performance, which party officials had previously denied.

Unlike other ruling party leaders, he has never sharply criticized opposition leaders, calling instead for a fair and decent competition, and urged his party members to refrain from the practice of slandering opposition parties.

He has also proposed that the elections not be a war aimed only at defeating personal enemies, but an event driven by policy competitions.

He has often said that politicians should prepare themselves for the coming 21st century, meaning that it is up to politicians to make policies for a better future and politicians who only "shout and accuse" will not be fruitful in the upcoming century.

Yi, a forthright former Supreme Court justice, has also consistently vowed adherence to his principle of the "rule of law," by which he says politics should be controlled.

He meant by the rule of law that Korean politics should no longer be dominated by boss politics, which will only benefit a flock of political bosses, and a certain consistent principle should steer Korean politics to a brighter future, which he said will benefit the public as a whole.

Yi had purged hundreds of government officials for bribery and other charges while heading the Board of Audit and Inspection, the nation's top corruption detector, in the beginning of the Kim administration.

In addition, though he joined hands with President Kim, he was billed neither as being subservient to President Kim Yong-sam nor as being particularly against main opposition party leader Kim Tae- chung, two paramount leaders of Korean politics.

He said he is allied with President Kim to effectively help his administration complete reform campaigns.

But he has often said he supports the reform policies of the minor opposition Democratic Party, which has called for an end to politics dominated by three Kims — President Kim [and the] two opposition leaders Kim Tae-chung and Kim Chong-pil.

Pros and Cons of Yi's Behavior

Reactions to Yi's behavior are varied. Some people find him refreshing and hope he will help cure corrupt Korean politics.

"Many politicians of the past had said what Yi said," said Pak Chae-chang, a political science professor at Sukmyong Women's University. "But what makes Yi different from them is he is actually doing what he has said."

He also said Yi will play a key role in changing what he called decaying Korean politics in the upcoming National Assembly elections, which he said will provide momentum for a shift in Korean political scene.

Another political analyst, Ko Song-kuk, feels the same way. "Yi will greatly contribute to ending rotten politics," he said.

He said it will not take much time before Yi proves his political quality, possibly in the course of the coming elections.

By contrast, terming Yi's pursuit of politics ruled by law idealistic, others say he will eventually be assimilated to established politics.

"I won't give credit to him because he's not acting up to his cherished principles," said Yun Ho-chung, a vice spokesperson for Kim Tae-chung's main opposition National Congress for New Politics.

He said, "On one hand, he himself proposes political parties refrain from attacking each other. On the other, his spokesmen assault us, which is very confusing."

Yun added that Yi's call for an end to boss politics contradicts his affiliation with one of those bosses—President Kim.

Cho Kwang-han, a spokesman of the minor opposition Democratic Party, did not hesitate to call Yi an unreliable opportunist.

"I don't remember him having lifted up his voice during the rule by past authoritarian military-backed regimes," Cho said. "If he was that high-principled, he should have voiced a certain kind of criticism against them at that time."

Strong Presidential Hopeful

Regardless of how his political behavior is perceived, Yi is seen as a promising candidate for the presidential election in 1997.

When questioned by reporters if he would join the 1997 race to succeed Kim, Yi always says, "I haven't thought about that. All I have to do now is help the ruling party win the coming elections."

Despite his denials, however, many critics speculate Yi has joined President Kim's party to make his affiliation a springboard in bidding for the South Korean presidency.

Political analyst Ko said that he would not have joined the ruling party in the first place if he was not interested in seizing power.

Recent popularity polls showed that he is one of the front- runners among potential presidential candidates for the elections in 1997.

Yi, who observers consider firm and principled, is President Kim's biggest catch. Faced with a surge of conservative defections following the arrest of former Presidents Chon Tu-hwan and No Tae-u on treason and graft charges late last year, Kim had tried to entice celebrity politicians into his fold.

Kim was in desperate need of someone to help boost his party's chances of winning the upcoming general elections, which is crucial for Kim to prevent him from becoming a lame duck for the rest of his tenure as President.

According to opinion polls conducted by mass-circulation newspapers, Yi's alliance with President Kim will help the ruling party's campaign in the parliamentary elections in April.

Earlier, Yi, who had become prime minister in late 1993 to lead President Kim's reform drive, was sacked by President Kim in 1994 after disagreeing with him over the way he exercised his political power.

Yi was enjoying much support for his antigraft crusade as head of the Board of Audit and Inspection until he was named prime minister for the Kim administration.

But he resigned as prime minister when he was bypassed by ministers and other top policymakers in reporting policies to President Kim, including that on North Korea.

ROK: Army Enlisted Man Deserts With Four Hand Grenades on 4 Mar

SK0403100596 Seoul KBS-1 Radio Network in Korean 0924 GMT 4 Mar 96

[FBIS Translated Text] An ROK Army enlisted man has deserted his military barracks with five hand grenades. At around 1530 today, Private Chang Yong-pae deserted his barracks in Pochon, Kyonggi Province, with five hand grenades. He had occupied a powder magazine before he left.

It is not known why Private Chang deserted. Military authorities and the police have been conducting special checks and searches in areas around Pochon. They think that Private Chang may try to come to Seoul.

Burma

Burma: Additional 69 MTA Members Surrender 25 Feb

BK0103052696 Rangoon TV Myanmar Network in Burmese 1330 GMT 28 Feb 96

[FBIS Translated Text] Members of the MTA [Mong Tai Army] led by U Khun Sa, having realized the genuine goodwill of the State Law and Order Restoration Council government and the implementation of development activities for the perpetuation of national sovereignty so we can live eternally united forever, surrendered continuously between 5 January and 25 February.

On 25 February, a ceremony to mark the MTA's return to the legal fold was held from 0915 to 1000 at the Myoma Sports Grounds in Mong Hpayak, Eastern Shan State. A group of 69 MTA members led by Company Commander Sai Maung from the MTA's 995th Battalion returned to the legal fold, surrendering 51 assorted arms, ammunition, and related equipment to the Defense Services.

The ceremony was attended by Lieutenant Colonel Aung Win, chairman of Mong Hpayak District Law and Order Restoration Council; Lt. Col. Aung Maw Maw, local regional commander from the Eastern Military Command; military and civil officials; district and township-level Union Solidarity and Development Association members; students; people's militia; and over 5,000 local people.

After a welcoming address by Lt. Col. Aung Win, Sai Maung asked for forgiveness on behalf of the MTA members for their past wrongdoings and presented a list of surrendered personnel and arms. Lt. Col. Aung Win, chairman of Mong Hpayak District Law and Order Restoration Council, cordially greeted the MTA members individually after the ceremony and gave them the necessary assistance. Arrangements were also made for them to return to their homes.

MTA members led by U Khun Sa have realized the genuine goodwill accorded to the armed organizations in the jungles by the state and the Defense Services and have returned to the legal fold unconditionally along with their arms. A total of 13,247 MTA members returned to the legal fold from 5 January to 25 February, surrendering 7,848 large and small arms and assorted ammunition and mines. It is known that there are still some remaining to surrender.

Burma: Remnant MTA Troops Continue To Fight in Shan State

BK0203154996 Oslo Democratic Voice of Burma in Burmese 1100 GMT 2 Mar 96

[FBIS Translated Text] Aung Hlaing U filed the following report from the Thai-Burmese border:

Since 5 January, some MTA [Mong Tai Army] troops have been cooperating with Khun Sa, who made a deal with the SLORC [State Law and Order Restoration Council], but there are thousands of MTA troops who have refused to surrender their weapons and have declined to cooperate with the SLORC, and are determined to continue the Shan national struggle. It has been learned that the SLORC military clique on 2 February warned the Shan State National Army, SSNA, in southern Shan State not to accept these MTA troops if they come to join the SSNA. MTA troops — about 3,000 — in southern Shan State that plan to join the SSNA are led by Lieutenant Colonel Lwe Kharo, Col. Khe Nyin, and Colonel Ywa Sit while another group of about 1,000 MTA troops in eastern Shan State is led by Col. Sai Tun, and Col. Sai Lun. It has been learned that these MTA troops will continue their struggle for the Shan national cause.

SLORC has sent a three-point warning to the SSNA. It states: 1. not to accept the remnant MTA troops; 2. to obtain a list of men and weapons of those MTA troops who might plan to join the SSNA and to hand over the list to the SLORC; and 3. SSNA will be attacked and annihilated if found to be giving refuge to these MTA troops.

It has been learned that fighting erupted between SLORC soldiers of the No. 99 Light Infantry Battalion [LID] and MTA troops led by [name indistinct] and Ywa Sit near Shiwakat Hoko Village, three miles east of Langkho in southern Shan State, on 2 February. Many SLORC soldiers were wounded in the fighting.

Cambodia

Cambodia: Khmer Rouge Commander Defects With 357 Men

BK0403111396 Phnom Penh National Radio of Cambodia Network in Cambodian 0500 GMT 4 Mar 96

[FBIS Translated Text] The Third Bureau of the Khmer Royal Armed Forces [KRAF] General Staff Department would like to inform the public of the recent military situation in Aoral District of Kompong Speu Province. Members of the 18th Division of the rebel group led by Heng Pong have voluntarily returned to the national society. These returnees include 357 soldiers with 178 assorted weapons and 400 families of 1,200 members. It should be noted that these forces have been warmly welcomed by the KRAF. They are now living in Aoral District of Kompong Speu Province.

[Hong Kong AFP in English at 1042 GMT on 4 March adds: "The most senior Khmer Rouge commander ever to quit Pol Pot's rebel group has gone over to government forces, military officials announced Monday.

"Commander Heng Pong, a senior Khmer Rouge general, defected with 357 of his guerrilla fighters and around 2,100 of their family members in mid February, the officials said here.

"Heng Pong joined the Khmer Rouge in 1970 and according to the government was a member of the Khmer Rouge central committee.

"The Khmer Rouge has not suffered such a major defection since Cambodia held its first democratic elections in May 1993.

"The defection in Kampong Speu province, south of the capital Phnom Penh, has been kept secret since.

"The news blackout has been so tight that one of Pol Pot's top aides, Noun Chea, made radio contact with Heng Pong on Sunday to ask him to send troops to a certain position, officials said. Noun Chea also wanted to meet Heng Pong.

"The Khmer Rouge ruled Cambodia from 1975 to 1979 and at least one million Cambodians died from starvation or disease during their reign of terror.

"They boycotted the 1993 elections and have since been fighting government troops. Their numbers are said to have dwindled to around 4,000 guerrillas in recent years."]

Cambodia: Hun Sen Backs Independent Candidates in Election

BK0203133596 Phnom Penh National Radio of Cambodia Network in Cambodian
1100 GMT 2 Mar 96

[FBIS Translated Text] At the Cambodian Institute of Technology on 29 February Samdech Hun Sen, second prime minister and deputy leader of the Cambodian People's Party, for the first time stated in public that as a politician he supports and encourages elections in Cambodia in (?1998) [words indistinct] and the possibility of independent candidates taking part in the elections.

What is new in Samdech Hun Sen's current stance is the reference to independent candidates, who have no parties and who can stand in the elections. The single-name system requires each candidate to stand in a constituency [words indistinct]. However, during the time of UNTAC [UN Transitional Authority in Cambodia] elections in Cambodia in 1993, the proportional representation system was chosen, that is, the people elected parties.

Samdech Hun Sen affirmed that the single-name system would make it easy for the people to select their representatives in their areas and [words indistinct] favorable to democratic atmosphere. This system would enable those persons with no political parties to stand in the election and enable the people in small areas to select representatives they like.

In practice, [words indistinct] has been successfully adopted for over 50 years in the election of 300 representatives of Japan's lower house. Among the 500 seats in the Japanese Parliament, 300 are (?elected through the single-name system) while [words indistinct] through the proportional representation system.

Since his address was made to commemorate 8 March, International Women's Day, Samdech Hun Sen also urged and encouraged women [words indistinct] whether women would trust and support their fellow women.

Philippines

Philippines: Ramos, PRC's Li Agree To Keep Ships Away From Spratlys

BK0203120596 Hong Kong AFP in English
1144 GMT 2 Mar 96

[FBIS Transcribed Text] Manila, March 2 (AFP) — Chinese Premier Li Peng supported Philippine President Fidel Ramos' proposal to keep vessels away from disputed islands in the South China Sea, a Philippine foreign department official said Saturday.

Meeting in Bangkok during the Asia-Europe summit, Li agreed with Ramos' suggestion of creating a policy of "vessels not coming near the (Spratly) islands and establishing certain distances in order to avoid problems" said Foreign Undersecretary Rodolfo Severino in a presidential statement.

Li "repeated that state vessels should keep their distance and those engaged in illegal activities should be prosecuted. In fact, China will help to prevent this sort of thing from happening," Severino said.

Earlier, Chinese Foreign Ministry spokesman Chen Jian said Li reaffirmed China's willingness to settle disputes through peaceful dialogue and in accordance with international law.

"During his meeting with President Ramos, Premier Li Peng reiterated China's principle that disputes should be resolved appropriately through direct dialogue with the country concerned," Chen Jian told a news conference at the summit.

Brunei, China, Malaysia, the Philippines, Taiwan and Vietnam have overlapping claims to the Spratly Islands in the South China Sea.

Tensions rose last year when China built structures it claims are to shelter fishermen. Manila said they are military facilities.

Li also told Ramos that Beijing would not interfere in the arrest and prosecution of Chinese nationals who violate Philippine law, Severino added.

The premier's statement came after his 35-minute dialogue with Ramos, who told him of recent "reported incursions in our territory of vessels initially of unknown origin but were later identified as Chinese," a presidential statement quoted Ramos as saying.

"I hope we can do something to prevent this from happening again," Ramos added.

Philippines: Officials Doubt PRC 'Softening' Spratlys Claim

BK0403053996 Quezon City Radio Filipinas in English 0230 GMT 4 Mar 96

[FBIS Transcribed Text] Officials from other Spratly claimants have welcomed China's statement that it would be staying away from the contested territory and that the issue to be handled in accordance with international law, but they expressed doubt whether this could mean that Beijing was softening its claim. Diplomatic sources yesterday said, regional security experts has [word indistinct] to China's rhetorics about territorial claims over the Spratly Islands in the South China Sea prompting them not to believe anything that Chinese officials say to international community.

They (?provoked), as reports said that Chinese Prime Minister Li Peng had agreed with President Ramos last Saturday [2 March] in Bangkok that the Spratly disputes should be handled in accordance with international laws especially the United Nations Convention on the Law of the Sea [UNCLOS]. The UNCLOS says that a claimant nearest to a contested area has a moral and legal right to occupy that territory. It also provides archipelagic countries like the Philippines and Indonesia to designate their 200-nautical exclusive economic zone which the Chinese oppose saying this would affect its territorial boundaries, the source said. One major (?dream) by other Spratly claimants is that China, who claims the whole of the contested territory will accept the fact that the area has already claimants, and that the dispute will be settled not on the bases of historical facts but international laws as well.

Thailand

Thailand: U.S. Narcotics Certification Seen as 'Mutual Distrust'

BK0203140996 Bangkok THAI RAT in Thai
1 Mar 96 p 3

[Editorial: "The United States, the Great Friend?"]

[FBIS Translated Text] Thirty-one countries, mostly in Asia, were surprised by the statement announced a few days ago by the United States branding them, without hard evidence, as nations that support drug trafficking. As for Thailand, the announcement has really disappointed the general public and instantly stirred up hatred against the United States.

We are trying to be optimistic in this regard. The presidential election campaign has already started in the United States. At the initial stage, the Americans are in the process of selecting presidential candidates. It is very likely that the Democratic Party will win again and President Clinton will be its candidate, fighting for a second term in office. Meanwhile, the competition among presidential candidates in the Republican Party is very fierce.

All the condemned 31 countries have probably been cooperative with the United States to different degrees. However, they are being victimized by the U.S. election campaign. Some people wanted to point out the failure of the cooperation in narcotic suppression between the United States and the 31 countries. Worse still, the 31 countries themselves are accused of supporting narcotics trafficking.

Moreover, the Asia-Europe Meeting (ASEM) involving 25 countries in Bangkok on 1 and 2 March is a sign of the isolation of the United States. There are three major economic centers in the world, namely, the United States, Europe, and Asia. Normally, the United States maintains tight relations with Europe. When Europe turns to hold hands with Asia, naturally, the United States is not happy and feels lonely. Hence, it has released the announcement threatening to reduce or cut its assistance to the 31 countries.

The reactions to the U.S. narcotic trafficking accusation against the 31 countries are quite tangible in Asia. We the Thai people are very upset and saddened by the U.S. announcement. Our country has been cooperating with the United States in narcotics suppression for over 40 years. We cannot remember how many Thai officials have been killed and how much money we have spent in waging a war against narcotics. We have burned and destroyed narcotics worth billions of baht. During the reign of the dictatorship, we did not hesitate to hand out capital punishment to drug traffickers and our present anti-narcotic law carries high penalties.

Since the United States has groundlessly accused us of having supported narcotics trafficking, we would like to persuade our Asian countries to do exactly what the United States has talked about. We can simply relax our preventive measures to allow drug trafficking to flourish. By so doing, we might be praised as energetic supporters of the U.S. war against narcotics trafficking.

We believe that the U.S. Administration under President Clinton has made a grave mistake in condemning the 31 nations. The U.S. allies now feel no longer confident regarding their friendship with the United States. Due to mutual distrust, it will be rather difficult for the United States to find a cooperative friend.

Thai Admiral's Alleged Comment on Malaysian 'Threat' Denied

BK0203104196 Bangkok BANGKOK POST in English 1 Mar 96 p 6

[Unattributed report]

[FBIS Transcribed Text] The Supreme Command headquarters yesterday denied that the Navy commander-in-chief viewed Malaysia's arms build-up as a security threat to Thailand.

It said the report by the Thai-language daily MATICHON was unfounded and had caused misunderstanding with Malaysia.

MATICHON said on February 25 Adm Prachet Siridet made the remark during a defence council meeting three days earlier.

It reported that Adm Prachet said Thailand should be aware of a military threat posed by Malaysia which had built up its armed forces during the past year.

It claimed Army Commander Gen Pramon Phalasin had voiced his support to Adm Prachet's concern.

Armed Forces Spokesman Lt-Gen Rattana Chaloemsaenyakon said: "Supreme Commander Gen Wirot Saengsanit has denied that the navy commander made the comment during the defence council meeting, saying the defence council did not discuss the issue.

"Such irresponsible reporting could cause misunderstanding with our close neighbour which has had close ties with our country for decades."

Lt-Gen Rattana said the armed forces information office had already sent a letter to MATICHON's editor warning him to be more careful in its reporting which should be based on facts.

Malaysia was reported to be upset by the alleged remark.

Vietnam

SRV: Visiting Spanish Minister: Spain's Presence in Asia 'Priority'

BR0103130796 Madrid EFE in Spanish 1858 GMT 28 Feb 96

[Unattributed report: "Vietnam-Spain: Visit by Spanish Minister Opens New Stage in Relations"]

[FBIS Translated Text] Hanoi, 28 Feb (EFE) — Spanish Foreign Minister Carlos Westendorp's official visit to Vietnam opened a new "stage of great significance" in bilateral relations, the Vietnamese authorities said today (Wednesday).

Westendorp started yesterday a three-day visit to Vietnam for the express purpose of strengthening political and economic ties between Madrid and Hanoi.

Today, the head of the Spanish diplomacy met Vietnamese President Le Duc Anh, as well as Prime Minister Van Kiet, and the minister for planning and investment, with all of whom he discussed the state of relations and possible areas for cooperation.

Both sides agreed to set up a "joint committee" of experts who will be responsible for recommending common areas for cooperation.

Westendorp announced that an embassy and trade delegation would soon be opened in Vietnam's capital to support Spain's presence in this country, which economic analysts consider "a potential Asian dragon" in the coming years.

Furthermore, the Vietnamese president forwarded an invitation to King Juan Carlos to visit his country, while the prime minister extended a similar invitation to the Spanish premier.

The Spanish minister and his Vietnamese interlocutors reviewed the situation of a number of projects implemented with Spanish financial aid, worth $29 million, in the agricultural, fishing, tourism and agro-foodstuffs sectors.

In 1994 Spain granted Vietnam a Development Aid Fund (FAD) credit worth $80 million during the visit made to Vietnam by Trade Secretary of State Apolonio Ruiz Ligero.

"Being present in Asia is a priority of Spanish foreign policy. Vietnam is a country now beginning its journey into rapid economic growth and is a symbol of Asia's development," Westendorp told EFE.

The Vietnamese authorities expressed their satisfaction with the bilateral cooperation agreement signed between Vietnam and the EU last July during the Spanish presidency.

In the late 1980's, this south-east Asian country embarked on a rigorous process of change and reforms with the objective of orienting its economy toward market mechanisms, following the collapse of the Socialist camp in eastern Europe and the disappearance of the Soviet Union, which until then had constituted Vietnam's main sources of supplies.

As a result of what in legal terms is knows as "Doi Moi" (renewal), Vietnam has achieved a steady growth of its GDP above 8 percent in the past five years.

The Spanish minister's tight work schedule today includes making an offering of flowers at Vietnamese historical leader Ho Chi Minh's mausoleum, as well as a tour of various parts of the city to consider possible locations for the embassy.

SRV: Chirac Urges SRV To Ease Life for French Investors

BK0203135596 Bangkok THE NATION in English 2 Mar 96 p 6

[Unattributed Report]

[FBIS Transcribed Text] French President Jacques Chirac has urged Vietnam to make life easier for French investors.

Mr Chirac made the call yesterday afternoon during a brief meeting with Vietnam's Prime Minister Vo Van Kiet, according to a French spokesman.

Mr Chirac noted that economic relations between the two countries were not "at the same height" as relations in other areas.

A Joint Commission due to meet later this year would be coming together for the first time in six years.

But France has shown confidence in the Vietnamese economy by raising Vietnam's "category" following high-level talks last December, the spokesman added.

Mr Chirac assured Mr Kiet he would encourage more French investors to go to Vietnam but that Vietnam must do away with the "rather long and difficult procedures" they face.

Mr Chirac also urged stronger cooperation in political and cultural areas. Mr Kiet expressed a similar wish for stronger cooperation in all domains.

Mr Kiet assured Mr Chirac that it was Vietnam's "objective" to pursue friendly relations with France.

The meeting also touched on the summit of French-speaking countries that is to be held in Hanoi in 1997.

The summit — designed to show the "vitality" of all things French — would bring together French speakers from five continents, including Asia.

In its own way the summit would also enrich the Euro-Asian dialogue, the spokesman noted.

Margie Sudre, the minister in charge of such issues, was in Vietnam in January as part of preparations for the summit.

Mr Chirac and Mr Kiet were due to continue discussions over dinner last night.

Other issues France wanted to raise were the plight of Christians in Vietnam and political reform in Vietnam, a move which France encourages, the spokesman added.

Mr Chirac met with China's Prime Minister Li Peng late Thursday night.

SRV: National Assembly Holds Preparatory Meeting

BK0103150996 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 1 Mar 96

[FBIS Translated Text] Tomorrow, 2 March, the ninth session of the Ninth National Assembly will solemnly start at the Ba Dinh Conference Hall in Hanoi. In its ninth session, the National Assembly will discuss and pass a number of pieces of legislation institutionalizing the party's renovation line and standpoint and continuing the gradual process of perfecting the legal system for the cause of national construction and management. These include the law on the national budget, the law on mineral resources, and the law on cooperatives. The National Assembly will also hear government supplementary reports on the situation in 1995, necessary measures for the implementation of 1996 tasks, and other important reports.

In order to obtain all the essential information regarding the important issues to be discussed and decided at the coming session, National Assembly deputies have researched and studied drafts of the laws and reports in advance. They have also organized many meetings to hear the opinions of voters. The National Assembly Standing Committee and other organs have coordinated closely with the government and other relevant agencies in preparing for the session.

This morning, 1 March, all National Assembly deputy groups met to exchange views on the session's agenda and program. In the afternoon, the National Assembly held a preparatory meeting in the Conference Hall to pass the session's agenda and program.

Australia

Australia: Coalition Party Wins 'Landslide' Victory

BK0203131796 Melbourne Radio Australia in English 1100 GMT 2 Mar 96

[FBIS Transcribed Excerpt] The Labor Party Prime Minister Paul Keating has conceded defeat and congratulated the Coalition on its success. He announced that he would be stepping down as Labor Party leader. Reporting on the Coalition's return to office after 13 years in opposition, here is Graeme Dobell in the National Tally Room:

[Begin Dobell recording] With three quarters of the vote counted, the Coalition has won a landslide victory. Labor had a nine seat lower house majority in the last Parliament, but the ABC's [Australian Broadcasting Corporation] election computer is predicting a Liberal-National Party majority of 46 seats in the new Parliament. The swing to the Coalition averages 5 percent. The two-party vote for the Coalition is 54 percent, with Labor getting only 46 percent. The Labor government suffered savage losses in key eastern seats. The two-party swing against Labor in New South Wales [NSW] was 8 percent while in Queensland the anti-Labor swing was 10 percent. The swing against Labor was 5 percent in South Australia and 2-3 percent in Victoria and Tasmania. Labor government cabinet ministers who have lost their seats include the attorney general, Michael Lavarch, and the aboriginal affairs minister, Robert Tickner. [end recording]

Mr. Keating conceded defeat in a speech to supporters in Sydney. He attributed Labor's loss to a public view that the government had been in power too long. Mr. Keating will retain his seat of Blaxland in NSW [New South Wales] but said he would not recontest the leadership of the Labor Party. He congratulated Mr. Howard on his victory. Mr. Keating said Labor had ended its 13-year rule with a great record on increasing employment, improving social equity and indigenous rights, and in opening Australia up to the rest of the world.

[Begin Keating recording in progress] I think we can also say that in opening Australia up in peeling the tariff wall away and removing exchange controls and giving the country some real breadth and life inside it, we have turned Australia to our neighborhood; we have reoriented it to the world. We are now part of this community of nations in East Asia and the East Asian hemisphere and that's again, another legacy of Labor, giving Australia that closer relationship. [applause] [end recording]

The new deputy prime minister will be the National Party leader, Tim Fischer. Mr. Fischer thanked Australian voters for ousting the Labor government in favor of the Coalition. He said a Coalition government, under its leader John Howard, had the right policies to take Australia into the 21st century.

[Begin Fischer recording] The chalice of change, initiative, reform does not belong to one side of Australian politics. I am very confident in the mantle of John Howard to deliver sensible change with inclusive leadership under a Coalition government to drive the agenda forward to build a better Australia for the year 2000 and beyond. [end recording] [passage omitted on defeated attorney general's remarks]

Australia: Liberal Party Leader Howard Claims Election Victory

BK0203122296 Darwin Australia Television International in English 1115 GMT 2 Mar 96

[Speech by Liberal Party leader and Australian Prime Minister- elect John Howard at the Wentworth Hotel in Sydney — live]

[FBIS Transcribed Text] Ladies and gentlemen, can I say to you — and my first words I will address to all of the people of Australia — that I am very conscious of the enormous responsibility that has been placed upon me and upon my colleagues by the verdict of the Australian people today. [applause]

I feel many emotions tonight, but the deepest emotion of all I feel is that of humility, that the Australian people have given me the privilege of leading the government of this country, and I want to say that the government that I will lead will be a government not only for the people who voted for us but also for the people who voted against us. [applause]

Nine years ago, when I was unsuccessful in an election I said in my concession speech that the things that united Australians were infinitely more important and more enduring than the things that divided Australians. That has always been my political credo and it will be a political credo that I will carry forward in the governance of this country over the next three years. [applause]

I want to thank Paul Keating for his gracious words. I want to wish Paul Keating and Anita and their family good health and happiness in the future. Can I say that although we have been vigorous opponents, he has been a great warrior for his own political cause and despite our differences that is something that I recognize. [applause]

I owe thanks to many people and I will come to that in a moment. I want to make it clear that although uniting the Australian people will be the cornerstone of my approaching government, we have been elected with a mandate — a very powerful mandate [applause] — and whilst I will seek at all times unity and a common point of view, we have not been elected to be just a pale imitation of the government that we have replaced. [applause] We have been given this emphatic mandate tonight because there are many things that have been left undone that need to be attended to and addressed. We need to implement the program on which we were elected, and I want to make it very clear that there will be an absolute determination, with fairness and understanding, to do that and to do it with resolution and without qualification. [applause]

I want to thank all of my colleagues. I especially wish to thank Tim Fischer and the National Party [applause]. I will lead a coalition in government as I have led a coalition in opposition, and I look forward to working very closely with Tim Fischer as the deputy prime minister of Australia. [applause] To all of my parliamentary colleagues I say thank you, and I particularly want to extend my thanks to the Liberal Party organizations, to (Tony Stalley) the federal president, to (Andrew Robb) and (Ron Walker) the honorary federal treasurer and to many other members of the organization who have worked so tirelessly.

And can I say it is an immensely proud moment for me tonight to lead back into government the Liberal Party of Australia. [applause] We have endured 16 years without a federal electoral victory and tonight is an immensely proud and wonderful moment for our great party. [applause] And in celebrating the miracle of democracy, that we can peacefully and respectfully transfer power through the ballot box and through no other device, let us also as Liberals and as Liberal supporters celebrate the magnificent win that we have had tonight. [applause] It has been a win that has not just reclaimed those who voted Liberal in the past and those who are by habit swing voters, but it is a victory that has also embraced many traditional Labor Party areas of Australia. And when you look at the swings in western Sydney, and in some of the traditional Labor areas of Sydney [applause] and I think it is a magnificent result in Queensland, and that wonderful result in South Australia, and the way in which the Liberal Party held its very high proportion of seats in Victoria, and the early returns in Western Australia are very encouraging — it is a comprehensive endorsement of the philosophy and the approach of the Liberal Party [applause], and to all of you who have endured the barbs and the insults, and you have heard your party written off, I want to say to the rank and file of the Liberal Party you have endured far too many years in the political wilderness, and tonight it is a victory that we all share — it is not mine alone, it is mine because I was given, from the moment I became the leader of the Liberal Party just over a year ago, I was given the most magnificent loyalty and support by my parliamentary colleagues and all of the members of the organization. And I say from the bottom of my heart how grateful I am for that support and that loyalty because that has given us the victory that we have tonight. [applause]

They said when I launched our campaign only a few weeks ago that one of the great features of the Liberal Party was that it was owned by no section of the Australian community, and our only obligation is to give good government to all of the Australian people. It will be my intention and my commitment that from now I and my colleagues will devote our all to delivering good government, for doing good things and for delivering the maximum degree of unity and cohesion for the Australian people. [applause]

There is something special about being an Australian, and today I experienced — along with everybody else I had to queue up to cast my vote — and the bloke in front of me turned round and said: Oh, hello. And he had a Labor Party "How to Vote" ticket and he did not have a Liberal one and he said: well, it is nice to meet you but I am not going to vote for you. [laughter] Now that is a celebration of what Australia is all about. [applause]

The very last thing that I want to say is a special word of thanks to some people who have been very close to me over the past months. I want to thank my own personal staff. The personal staff of a party leader carry enormous burdens and responsibilities and I am personally very, very grateful to all of my staff for the magnificent job they have done. They have shared the disappointments and tonight they share the exhilaration of this remarkable victory. [applause]

And lastly, can I say to my wife Jeanette [applause] and to my three children Melanie, Tim, and Richard [applause] and more than any four people in the world they have kept me going and they have sustained me, and they have shared the difficulties as well as the successes of politics. And anybody in public life should always remember the contribution of their families and I unhesitatingly express not only my affection but also my enormous gratitude to my wife and my three children for what they have done for me and what they continue to mean to me. [applause]

My very last words are to all of the people of Australia, to my fellow Australians. I am both deeply moved and I understand very very deeply and very profoundly the responsibility that has been given to me tonight. And I can but make a simple promise and a simple commitment that from now on I will do all I can to advance the welfare of all of the Australian people. I will focus on those things that bind us together. I will focus on our strengths. I will defend the interests and the values and the principles of this country both domestically and internationally. [applause]

There is something very special, there is something unique about our nation and about being Australian and I commit myself and my future government to the service of all of the Australian people. Thank you.

Australia: Keating Concedes Defeat in Federal Election

BK0203113996 Darwin Australia Television International in English 1032 GMT 2 Mar 96

[Speech by Australian Prime Minister Paul Keating from the Bankstown Sports Club, Sydney — live]

[FBIS Transcribed Excerpt] Let me begin by saying that I wanted to deliver for all those who supported us, but obviously it wasn't to be. [Applause]

I have always passionately believed that all power came from the public, every last morsel of it, and it is the nation's perfect right to decide who they want to govern it. I take this opportunity to congratulate John Howard. I wish him and his government well.

We ran a hard campaign. I met as many people in the country as I was able to meet. I wanted to be real, I wanted to go out there, but I think there was always the underlying view that the government had been in office a long time, and even though there was argument about this. That was an undoubted fact.

This is a great country with a great future and it deserves a government that will live up to it, and this is what we have tried to do. I think Labor is finishing this period of office with a very proud record [applause]. We have opened the country up and turned it toward the world as never before and we have done it in a way that has also put a high premium on social equity and social consensus [applause]. And I think that in such things as access and equity in areas such as health, with Medicare, or in education or in care for the aged or for the young; in these areas in our commitment to employment in running the economy faster than others would have run it; the fact that we have got now 30 percent plus more jobs than we had 13 years ago; that we have had a rate of employment growth right as fast as any in the world, has been an express undertaking and commitment and policy of the Labor Government. We have always stayed true to the faith and to the creed of making certain that people had as many opportunities as possible to a job, and that is why we have gone for job growth as strongly as we could do it. [applause]

We have also taken the bigger view and tried to do something about some of the intractable problems like a proper basis of reconciliation with our indegenes, which we have [words indistinct] [applause]. I think in all these things — health, education, care for the aged, the young, employment — we have set new community standards and the Liberal Party has explicitly acknowledged those standards in this campaign with Medicare, with the labor market and with mainstream issues like the environment. They have not won on the policies they had in the 1980's and the early 1990's; they have won on policies which the Labor Party has created as new standards. [applause]

It takes a lot to lift a country's standards on such big issues. It is not just on one term of Parliament or even two terms, because the opposing party always thinks they come and turn it back. But to create new standards and have them explicitly acknowledged by the alternative government is real social advancement and something Labor can be very proud of. [applause]

I think we can also say that in opening Australia up and peeling the tariff wall away and removing exchange controls and giving the country some real breadth and life inside it we have turned Australia to our neighborhood. We have reoriented it to the world. We are now part of this community of nations in East Asia and the East Asian hemisphere and that is again another legacy of Labor, giving Australia that closer relationship. [applause]

I suppose you could say perhaps in a nutshell, equity and enterprise at home and opportunity abroad has been the theme that has motivated us, and we have left the incoming government a country in good order, with good strong growth — we have averaged 4.5 percent each year of the last three years, twice the western world average — strong employment growth, in fact the strongest in the western world, low inflation and a set of social policies any nation in the world would be proud of. [applause]

Can I say on my part that, outside of my family I have had two great loves. That is Australia and the Labor Party, and I am proud to be able to say today that I leave office as proud of them today as I was when I began 26 years ago. [applause]

I am exceptionally proud of what Labor has done over 13 years and I am proud of what I was able to do over 4, and I have got to say not once did I tackle and take on a second best option. I never threw a policy fight, I always went for the big ones and people may say well the big picture and call it into question, but in the end it is the big picture which changes nations, and whatever our opponents may say, Australia has changed inexorably for good for the better. [applause]

Public life is the most noble of all professions because to serve the public is the noblest thing one can do, and to do it in a way where you keep trying to reach standards and have a team and a party to run with you in putting those standards into place is the very essence of good public policy and good public life. I think Labor has given this to Australia in this period.

Could I say, of course, I will not be recontesting the leadership, but I would like to thank our candidates. A lot of our members, of course, have lost seats and I want to thank them. I want to thank our candidates. I want to thank our workers, all of you here tonight, and I want to thank our supporters. [passage omitted]

Australia: Liberal-National Party Coalition Celebrates Victory

BK0303095896 Melbourne Radio Australia in English 0600 GMT 3 Mar 96

[FBIS Transcribed Text] The Liberal-National Party Coalition in Australia is celebrating a landslide win over the ruling Labor Party in the country's general election. The new government is expected to have a majority between 42 and 46 seats. At least 30 Labor members of parliament, including seven in cabinet ministers, lost their seats, ousted in a national swing of more than 6 percent on primary figures. The leader of the Coalition, John Howard, is not expected to speak to the media until tomorrow. Graeham World reports Mr. Howard will become Australia's 25th prime minister.

[Begin recording] [World] The Coalition could end up claiming close to 100 of the 148 seats, close to double Labor's outcome. Fewer than 10 seats remain in doubt, the most notable being (?brand) where once again Deputy Prime Minister Kim Beazley is on a knife-edge. Across Australia, jubilant Coalition supporters celebrated their return from 13 years in opposition. John Howard is promising to lead a government for all Australians.

[Howard] And I say it is an immensely proud moment for me tonight to lead back into government, the Liberal Party of Australia. [applause]

[World] Mr. Howard says the Coalition has been elected with a very powerful mandate.

[Howard] We have not been elected just to be a pile of imitation of the government that we have replaced.

[World] Paul Keating congratulated Mr. Howard but made this point.

[Keating] They have not run on the policies they had in 1980's and early 1990's; they have won on policies which the Labor Party has created.

[World] Mr. Keating explained the loss pointing to Labor's time in office. He announced he is stepping down as Labor leader adding that he is proud of what the party had done.

[Keating] Equity and enterprise at home and opportunity abroad has been the theme that has motivated us, and we have left the incoming government a country in good order.

[World] (?Four) of independent candidates have claimed seats, including two former liberals in Western Australia, Paul Filing and Allan Rocher, along with ex-Labor MP, Graeme Campbell, but Philip Cleary lost his seat in Melbourne. In the senate, minor parties retain control but the contest between the Democrats and Tasmanian Green Bob Brown is too close to call. [end recording]